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2002 Survey of Physicians About the Medicare Program

A study conducted by the Project HOPE Center for Health Affairs for the Medicare Payment Advisory Commission

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Results of the Medicare Payment Advisory Commission's 2002 Survey of Physicians

Final Report

December 2002

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Table of Contents

Page

Acknowledgements v

Executive Summary vi

Section 1. Overview of the Survey 1

Section 2. Physician Satisfaction 6

Section 3. Concerns About Aspects of Practice 10

Section 4. Practice Changes 28

Section 5. Access to Care 35

Section 6. Changes to Medicare FFS Payments to Physicians 53

Appendix A. Copy of the Mail Survey Instrument

List of Tables

Page

Table 1. Comparison of Respondents with Non-Respondents 4

Table 2. Physician Satisfaction with the Practice of Medicine, by Type of Physician, 2002 7

Table 3. Change in Physician Satisfaction Since 1999, by Type of Physician..... 8

Table 4. Overall Levels of Concern About Various Aspects of Practice, 2002 12

Table 5. Overall Levels of Concern About Various Aspects of Practice, by Type of Physician, 2002..... 13

Table 6. Levels of Concern About Various Aspects of Practice, by Type of Patient, 2002..... 15

Table 7. Ratings for Practice Concerns for FFS Medicare Relative to Other Payors..... 16

Table 8. Concern About Billing Paperwork, by Type of Patient and by Type of Physician, 2002 17

Table 9. Concern About Reimbursement Levels, by Type of Patient and by Type of Physician, 2002..... 18

Table 10. Concern About External Review of Clinical Decisions, by Type of Patient and by Type of Physician, 2002..... 19

Table 11. Concern About Timeliness of Claims Payment, by Type of Patient and by Type of Physician, 2002 20

Table 12. Level of Difficulty Obtaining Accurate and Timely Billing Information, by Type of Patient, 2002..... 22

Table 13. Rating for Difficulty of Obtaining Information for FFS Medicare Relative to Other Payers 23

Table 14. Difficulty Obtaining Billing Information, by Type of Patient and by Type of Physician, 2002..... 24

Table 15. Concern About Medicare Fraud and Abuse by Investigations, by Type of Physician, 2002..... 25

Page

Table 16. Actions Taken in Response to Concern About Medicare Fraud and Abuse Investigations, by Type of Physician, 2002 26

Table 17. Practice Staffing Changes Made in the Past Year, by Type of Physician 30

Table 18. Increases in Training for Office Billing Staff, by Type of Physician 31

Table 19. Practice Changes Made to Reduce Costs or Increase Revenue, by Type of Physician 32

Table 20. Changes Over Past Year in Selected Aspects of Practice Style, by Type of Patient, 2002 33

Table 21. Acceptance of New Patients (of Any Type), by Physician, 1999 and 2002 38

Table 22. Acceptance of New Patients, by Type of Patient, 1999 and 2002 39

Table 23. Change Since 1999 in Acceptance of New Patients, by Type of Patient and by Type of Physician 41

Table 24. Acceptance of New Patients, by Type of Patient and by Type of Physician, 2002 42

Table 25. Degree of Acceptance of New Patients, by Type of Patient, 1999 and 2002 43

Table 26. Degree of Acceptance of New Medicare Patients, by Type of Physician, 2002 45

Table 27. Association between Concerns about Aspects of Medical Practice and Acceptance of New Patients, 2002. 46

Table 28. Level of Difficulty Referring Patients to Other Physicians, by Type of Patient, 2002 48

Table 29. Rating of Referral Difficulty for FFS Medicare Patients Relative to Other Types of Patients 49

Table 30. Difficulty Referring Patients, by Type of Patient and by Type of Physician, 2002 50

Page

Table 31. Change in Past Year in Priority Given to Medicare patients Seeking an Appointment, by Type of Physician 52

Table 32. Awareness of Medicare Payment Changes and Assessment of Impact of Changes on Revenue, by Type of Physician, 2002 54

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Finally, we appreciate the support of the MedPAC Commissioners, whose interest in collecting new data on the medical profession served as a catalyst for this survey. The Commissioners provided many thoughtful comments on the presentation of preliminary results at their September 2002 meeting, and these comments have been incorporated into this final report.

Executive Summary

In January 2002, the conversion factor used to translate relative values into payment amounts under the Medicare physician fee schedule was decreased by 5.4 percent, raising concerns about Medicare beneficiaries' access to physician services. MedPAC sponsored a national survey of physicians to monitor the impact of the physician fee schedule changes and assess other possible changes in physicians' practices. This survey provides data on physician satisfaction, concern about various aspects of physician practice including reimbursement and regulatory burden, acceptance of new patients, and changes in practice style. The survey is one part of a larger, ongoing effort by MedPAC to monitor beneficiary access to care.

Data collection began in early April 2002, after physicians had had time to learn about and react to the Medicare payment changes, and continued through August. Completed surveys were obtained from 782 physicians, representing a response rate of 51.3 percent. Key findings are:

Physician Satisfaction

- Despite the Medicare payment declines and other often-cited problems with medical practice, such as malpractice issues and regulatory burden from insurers, physicians' overall satisfaction with the practice of medicine has held steady since 1999.

Concerns About Aspects of Practice

- Physicians reported fairly high levels of concern about a variety of practice factors, regardless of payer. Overall, physicians were least concerned about external review of their clinical decisions and the timeliness of claims payment, and most concerned about reimbursement, billing paperwork, and malpractice issues.

- When concern about these factors was considered by payor, FFS Medicare fared well on some factors relative to HMOs and Medicaid. Physicians consistently rated billing paperwork and the timeliness of claims payment as being of less concern for their FFS Medicare patients than for their HMO patients. They also reported that it was easier to get timely and accurate billing and coverage information for their FFS Medicare patients than for either their Medicaid or HMO patients.

- Conversely, FFS Medicare was viewed less favorably than private FFS/PPO plans when it came to concern about reimbursement and external review of clinical decisions. Furthermore, the concern about reimbursement under FFS Medicare was significantly greater among physicians who said that they were aware of the January 2002 fee schedule changes.

- Concern about Medicare fraud and abuse investigations is also fairly high, with one-quarter of physicians reporting that they are extremely concerned about these investigations. While only a small proportion of physicians have restricted their acceptance of new FFS Medicare patients in direct response to these concerns, more than two-thirds have billed more conservatively than they felt was merited in order to minimize the possibility of being investigated by the Medicare program.

Practice Changes

- Physicians appear to be taking a number of actions to address the administrative burden associated with insurance paperwork. Half of all physicians reported that their practice had hired additional billing and administrative staff in the past year, and more than 80 percent indicated that the practice had increased the training given to this staff regarding billing and insurance matters.

- Overall, physicians report spending more time with patients and families in telephone consultations and less time during visits, and referring more patients to other sources of care after hours. However, these practice style changes did not occur differentially for FFS Medicare patients compared to other types of patients.

Access to Care

- Acceptance of new patients has held steady since 1999, with 92.4 percent of all physicians saying their practice is open to new patients.

- Among physicians with open practices, nearly all are accepting at least some new patients with private FFS or PPO insurance. FFS Medicare patients were the next most widely accepted patient type, with 95.9 percent of physicians with open practices accepting at least some of these new patients.

- However, there has been a retrenchment away from the blanket acceptance of all new FFS Medicare patients. Since 1999, the percent of physicians who are willing to accept all new FFS Medicare patients has declined significantly by 6.3 percentage points. Most of these physicians continue to accept new FFS Medicare patients, but on a more selective basis.

- This pattern of retrenchment is very similar to the pattern observed for HMO patients, and less pronounced than the pattern seen for Medicaid patients.

- Access for Medicaid patients has fallen dramatically since 1999, with more than 30 percent of all physicians now refusing to accept any new Medicaid patients.

- Decisions regarding the acceptance of new patients appear to be strongly correlated to levels of concern about aspects of medical practice. Physicians expressing the gravest concerns about the Medicare program overall were the least likely to accept all new FFS Medicare patients. Likewise, physicians with the highest levels of concern about billing paperwork and reimbursement for a given payer were the most likely to limit their acceptance of new patients from the payer because of this concern.

- At the same time, concerns about billing paperwork under the FFS Medicare program led to approximately the same access restrictions as did concerns about FFS Medicare reimbursement. While the intensity of concern registered about reimbursement was greater than the intensity reported for billing paperwork, approximately three-quarters of all physicians reported some level of concern about each of these factors, and about 15 percent of those expressing concern about the factor said they had limited their acceptance of new FFS Medicare patients as a result.

- Very similar patterns were observed for private FFS/PPO patients. However, approximately 40 percent of physician's restricted access for Medicaid patients due to concerns about reimbursement and billing paperwork, and about one-third did the same for HMO patients.

- Ease in referring patients to other physicians is another measure of access to care. Physicians reported that it was more difficult to refer their FFS Medicare patients than their private FFS/PPO patients, but that Medicare patients were easier to refer than HMO or Medicaid patients.

- Reductions in appointment priority given to FFS Medicare patients could also signal access problems. One in ten physicians said appointment priority for FFS Medicare patients had changed in the past year, and there is some evidence that these changes were related to the January 2002 fee schedule change. Physicians, who were aware of the payment changes, and those who estimated a negative impact on their Medicare revenue, were more likely to have reduced the priority they accord to FFS Medicare patients seeking an appointment.

Changes to FFS Medicare Payments to Physicians

- Finally, two-thirds of physicians said they were aware of the January 2002 fee schedule changes, and nearly all of these respondents indicated that their Medicare revenue would fall as a result.

When taken together these results indicate that physicians are knowledgeable about FFS Medicare payment changes and are concerned about Medicare reimbursement, especially relative to reimbursement received for their private FFS/PPO patients. There also has been some tightening in access for FFS Medicare beneficiaries in the past three years,

with fewer physicians now willing to accept all new FFS Medicare patients. These same access restrictions were observed, however, for all types of patients other than those enrolled in private FFS indemnity plans.

While concerns about FFS Medicare reimbursement were associated with refusal to accept new Medicare patients, access restrictions of the same magnitude were attributed to concerns about Medicare's billing paperwork. A smaller proportion of physicians also reported limiting their acceptance of new Medicare patients because of concerns about the program's fraud and abuse investigations. Thus, worries about falling reimbursement levels are not the only factor playing a role in decisions of whether or not to accept new Medicare patients.

Furthermore, the access restrictions reported for FFS Medicare patients in response to specific concerns were of the same magnitude as the restrictions reported for private FFS/PPO patients, and were much smaller than the restrictions observed for either Medicaid patients or HMO patients. Of course, decisions regarding the acceptance of new patients with a given type of insurance are not likely to be made in a vacuum. It is also possible that additional access restrictions will be observed over time, once physicians have an opportunity to fully evaluate the impact of the most recent fee changes on their annual practice income.

Section 1

Overview of the Survey

In late September 2001, MedPAC awarded a contract to the Project HOPE Center for Health Affairs and The Gallup Organization, Inc. to design and conduct a national survey of physicians. The principal purpose of this survey was to collect data the Commission could use to monitor the impact of the Medicare physician fee schedule changes scheduled to be implemented in January 2002. Those payment changes included an across-the-board decrease of 5.4 percent for the conversion factor used to translate relative values into payment amounts. When combined with other changes to the relative values, the lower conversion factor was expected to decrease Medicare revenue for the average physician by approximately 4.9 percent.[1] Thus, the Commission wished to have data describing physician satisfaction, concern about various aspects of practice including reimbursement levels, acceptance of new patients, and changes in practice style.

Instrument Development. This 2002 survey was a follow-up to a similar survey conducted for MedPAC in 1999, which collected data on many of these same topics. However, a number of questions from the 1999 survey were not repeated in 2002 (e.g., questions on Medicare private contracting), and several new questions were added to explore issues related to regulatory burden. These new questions included questions about the timeliness of claims payment; concerns about and reactions to Medicare fraud and abuse investigations; the difficulty of obtaining information from insurers regarding billing and coverage issues; and changes in the number of billing and administrative staff employed by the practice and the training given to these staff members. Additionally, for some of the topics covered by both surveys, question wording was changed between the 1999 and 2002 surveys, making trend analysis difficult.

A draft of the revised instrument was pilot tested early in 2002 with 25 physicians using computer-assisted telephone interviewing (CATI). The CATI instrument was revised based on this testing, and the final version was used to produce mail and Internet versions of the survey. A copy of the mail instrument is provided in Appendix A.

Sampling. The sample for this survey was drawn from commercial physician listings derived from the American Medical Association Master File. Physicians were eligible for the survey if they practiced in the U.S., were providing at least 20 hours of direct patient care per week, spent at least 10 percent of their patient care time with fee-for-service (FFS) Medicare patients, were not still in training, were not a Federal physician, and were not in one of the specialties excluded from the sample. Excluded specialties and related sub-specialties include anesthesiology, radiology, pathology, nephrology, and pediatrics, as well as other smaller specialties unlikely to meet the other screening criteria (e.g.,

[1] Iglehart JK. 'Medicare's Declining Payments to Physicians' The New England Journal of Medicine, 346(24):1924-30. June 13, 2002.

undersea medicine, nuclear medicine, medical genetics). These eligibility criteria were unchanged from the 1999 survey.

Eligible physicians were distributed across six sampling strata defined by metropolitan/non-metropolitan location of the practice and three specialty groupings—surgeons, non-surgical proceduralists, and non-proceduralists. The proceduralist category included medical specialties that are procedurally oriented (cardiology, dermatology, gastroenterology, and radiation oncology), while non-proceduralists are all other eligible medical specialties. These strata were also unchanged from the 1999 survey.

In drawing the sample for the 2002 survey, we began with the sampling frame used for the 1999 survey (excluding a supplementary over sample of three surgical specialties that was incorporated in that year). Use of the same sampling frame enabled us to generate a panel sample, in which some 2002 respondents also provided data in 1999. Data from the two surveys can be combined for these respondents, permitting examination of temporal changes in the responses given by individual physicians for those questions that were asked in the same way in both years. We can also examine the relationship between attitudes measured in the baseline period (e.g., concerns about Medicare reimbursement) and actions taken in the subsequent period (e.g., acceptance of new Medicare patients). A complete analysis of the panel component of the sample will be presented in a separate report.

The 1999 sampling frame was supplemented so that physicians who had been added to the master frame since 1998, when the first sample was drawn, would be eligible for selection for the 2002 survey. All physicians in this supplemented frame were allocated to the appropriate sampling stratum, and the 2002 sample was drawn at random from these cells in direct proportion to the number of physicians in the cells. There was no over sampling for location or specialty. The final 2002 sample thus included physicians who had been in the 1999 frame but never used for field work, physicians from the 1999 frame who were selected for field work but never responded to the 1999 survey, physicians who actually completed a 1999 survey, and physicians who were new to the frame in 2002. Address and phone number updating was performed for all sampled physicians prior to the start of data collection.

Field Work. Data collection began in early April 2002 with the mailing to 2,102 physicians of an introductory letter, a copy of the mail survey, and an honorarium of $25. The introductory letter also contained instructions for accessing the Internet version of the survey in case the physician preferred this method of responding. A reminder letter was sent to non-respondents in late April, and telephone interviewing of remaining non-respondents began in mid-May. A final mailing, with a second copy of the mail instrument, was sent in mid-June. By the end of the field period in late August, completed surveys had been received from 782 eligible physicians, for an overall response rate of 54.5 percent. Approximately two-thirds (65.6 percent) of the surveys were completed by mail, 28.4 percent were completed by telephone, and 6.0 percent were submitted over the Internet.

A number of factors will affect the response rate achieved by a given survey, including the length and timing of the field period, the mode of interviewing, the interest of the survey content to respondents, the payment of incentive fees, and the total level of resources available to follow up with respondents who are difficult to reach. The past several years have witnessed declining response rates on physician surveys. Some observers believe that physicians are being 'over-surveyed' and that they are becoming less willing to participate in surveys; technological advances such as the ability to block calls from unknown telephone numbers greatly facilitate decisions to refuse to participate.

To put the response rate for the MedPAC survey in perspective, it is worth comparing this survey with several other large physician surveys that have been conducted in recent years. The Patient Care Physician Survey conducted for the American Medical Association is a mail survey with telephone follow-up designed to collect data on practice characteristics, weekly activities, basic expenses and income levels, among other items. In the 2001-2002 round, this survey achieved a response rate of 50 percent after a nine-month field period. The current MedPAC survey achieved a higher response rate with a field period of only five months, including the traditionally slow, summer vacation months of July and August.

Higher response rates have been achieved on recent rounds of the physician survey component of the Community Tracking Study conducted for the Robert Wood Johnson Foundation, but evidence there also points to increasing difficulty in maintaining high response rates. Over the past three rounds (beginning in 1997) the field period for this survey has been extended by two months for each round—from 12 months to 16 months. Despite the increasingly generous field period, response rates have declined over the period, from 65 percent to 61 percent. This survey is conducted exclusively by telephone and has a much larger data collection budget than was available for the MedPAC survey.

Non-Response Analysis. In any survey it is worthwhile to examine whether respondents are similar to non-respondents in order to judge the extent of any non-response bias that may exist. In this instance, we were able to compare respondents and non-respondents along a limited number of dimensions for which we had information for both groups from the sampling frame. In **Table 1**, we compare the 782 respondents with the 951 non-respondents (369 sampled physicians who were determined to be ineligible are excluded from this analysis). While some of the 951 non-respondents would have also failed screening questions had they returned a questionnaire, these ineligible physicians remain grouped with the non-respondents because we have no data with which to establish eligibility for individual non-respondents.

Results of the non-response analysis indicate that respondents were somewhat more likely than non-respondents to be located in the Midwest (particularly the East North

Table 1. Comparison of Respondents with Non-Respondents

Percent of Physicians who were:	Respondents (n=782)	Non-Respondents (n=951) *
Male	83.7	79.7
	(Chi-square = 4.7, p = 0.031)	
In an MSA	85.9	88.6
	(Chi-square = 2.9, p = 0.091)	
Northeast	22.9	25.7
South	32.9	34.1
Midwest	26.0	20.0
West	18.3	20.3
	(Chi-square = 9.2, p = 0.027)	
New England	6.3	6.2
Middle Atlantic	16.6	19.5
South Atlantic	19.7	18.0
East South Central	5.5	5.3
West South Central	7.7	10.8
East North Central	18.7	14.6
West North Central	7.3	5.4
Mountain	5.1	4.8
Pacific	13.2	15.5
	(Chi-square = 15.6, p = 0.048)	
Proceduralists **	7.7	9.6
Surgeons	37.1	28.7
Non-Proceduralists	55.2	61.7
	(Chi-square = 13.8, p = 0.001)	

* Based on responses to survey screening questions, some non-respondents would have been found to be ineligible for the survey.

** For this analysis, the specialty groupings are based on the AMA specialty data from the sampling frame. For all subsequent analyses in the report, specialty groupings are based on specialty data from the survey.

Central states), and slightly less likely to be located in the Northeast (especially the Middle Atlantic states). Respondents were also more likely to be male and to be surgeons, and less likely to be non-proceduralists. There was no difference between the two groups with regard to their location in an MSA.

Section 2

Physician Satisfaction

- Physician satisfaction with the practice of medicine has increased slightly, but insignificantly, since 1999, stemming the decline in satisfaction previously measured between 1994 and 1999.
- Approximately 23 percent of physicians reported being 'very satisfied.'
- Proceduralists were more likely to be at least 'somewhat satisfied' and surgeons were more likely to be dissatisfied.
- Satisfaction was positively correlated with physician income.

The first question on the survey after the eligibility screening questions asked about overall satisfaction with the practice of medicine. Both the wording and placement of this question were identical to the 1999 MedPAC survey.

More than two-thirds of all physicians (68.8 percent) indicated that they were at least 'somewhat satisfied' with the practice of medicine, and 23.3 percent reported being 'very satisfied' (**Table 2**). The satisfaction ratings varied significantly by specialty group, with proceduralists more likely to be at least somewhat satisfied and surgeons more likely to be dissatisfied. Likewise, the physician's income was significantly and positively correlated with satisfaction. These relationships were also observed in the 1999 data.

Satisfaction did not vary significantly according to the urban/rural location of the physician's practice or the physician's age. Additionally (not shown in Table 2), we tested for variations in satisfaction according to the percent of the physician's patient care time spent with various types of patients and according to the level of concern expressed about various aspects of practice for different types of payers. Levels of satisfaction did not vary along these dimensions.

Table 3 shows the percentage point changes in satisfaction ratings between 1999 and 2002. We observe statistically insignificant gains in satisfaction, with the largest increases occurring for proceduralists and rural physicians, reversing in part or in total the large declines observed between 1994 and 1999 (1994 numbers not shown in Table 3).[2] Additionally, when we examined the responses given by 432 physicians who completed both the 1999 and 2002 surveys, we found no significant change in the satisfaction

[2] For more information on 1994 to 1999 changes, see Schoenman JA and Cheng CM, 'Results of the Medicare Payment Advisory Commission's 1999 Survey of Physicians about the Medicare Program,' reproduced by MedPAC as Contract Research Series No. 99-1. September 1999.

Table 2. Physician Satisfaction with the Practice of Medicine, by Type of Physician, 2002

Type of Physician	N	Percent Who Said They Were: Very Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Very Dissatisfied
Proceduralists	77	29.9	52.0	9.1	9.1
Surgeons	266	21.4	38.4	27.8	12.4
Non-Proceduralists	426	23.2	48.8	19.0	8.9
		(Chi-square = 20.5, p = 0.002)			
Urban	653	22.7	45.0	21.9	10.4
Rural	116	26.7	48.3	16.4	8.6
		(Chi-square = 2.7, p = 0.45)			
Income					
$125,000 or Less	203	16.3	44.8	24.6	14.3
$125,001 - $200,000	224	18.8	50.9	22.8	7.6
More than $200,000	290	30.3	42.4	17.9	9.3
		(Chi-square = 22.6, p = 0.0009)			
Age					
Under 40 years	111	27.0	46.9	16.2	9.9
40-49 years	272	18.8	51.1	21.7	8.5
50-59 years	244	24.2	43.0	21.3	11.5
60 years or over	121	24.8	40.5	23.1	11.6
		(Chi-square = 9.1, p = 0.43)			
ALL PHYSICIANS	769	23.3	45.5	21.1	10.1

Missing values excluded from all calculations.
Analysis of responses to Question 6.

Table 3. Change in Physician Satisfaction Since 1999, by Type of Physician

Type of Physician	Percentage Point Change in Percent Who Said They Were: Very Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Very Dissatisfied
Proceduralists	11.0	0.4	-8.4	-2.9
Surgeons	-0.5	-2.0	0.2	2.3
Non-Proceduralists	4.4	3.5	-6.7*	-1.2
Urban	3.5	0.0	-3.1	-0.5
Rural	6.1	2.8	-9.3	0.4
ALL PHYSICIANS	3.5	0.7	-3.9*	-0.3

* Change since 1999 is significantly different from zero at the 95 percent confidence level.
Missing values excluded from all calculations.
Analysis of responses to Question 6 (2002) and Question 5 (1999).

ratings given at the two points in time. Half of these physicians gave the same rating in both years, and nearly all of those who changed their rating changed it only marginally (e.g., from very satisfied to somewhat satisfied). Furthermore, physicians who changed their assessment of overall satisfaction were almost evenly split between those who thought satisfaction had increased slightly and those who thought it had decreased slightly.

Section 3

Concerns About Aspects of Practice

- Overall, physicians were least concerned about external review of their clinical decisions and timeliness of claims payment, and most concerned about reimbursement, billing paperwork, and malpractice issues.
- Physicians were more concerned about billing paperwork and timeliness of claims payments for their HMO patients than for their FFS Medicare patients.
- Conversely, they were more concerned about reimbursement and external review of clinical decisions for their FFS Medicare patients than for their private FFS/PPO patients.
- Physicians who were aware of the January 2002 changes to the Medicare physician fee schedule were more concerned about FFS Medicare reimbursement than were physicians who were unaware of the payment changes.
- Physicians reported that it was easier to get billing and coverage information from Medicare than from Medicaid or HMOs.
- One-quarter of all physicians said they are extremely concerned about Medicare fraud and abuse investigations.
- Only a relatively small proportion of physicians said they have restricted their acceptance of new FFS Medicare patients due to concerns about fraud and abuse investigations, but more than two-thirds reported that they have billed more conservatively than they felt was merited in order to minimize the possibility of being investigated by the Medicare program.
- Limiting acceptance of new patients and frequent downcoding when billing were more common among physicians expressing the highest levels of concern about fraud and abuse investigations.

We asked a series of questions to assess physicians' concerns about various aspects of practice, including:

- the level of effort required for paperwork and administration related to billing and coverage issues,
- reimbursement levels,

- external review and oversight of clinical decisions,
- the timeliness of claims payment,
- malpractice issues and insurance, and
- the cost of practice.

The wording used to identify these factors was similar, but not always identical, to wording used on the 1999 survey (Form A),[3] and the timeliness of claims payment was a new factor in 2002. Additionally, the response categories were changed to allow a five-point scale ranging from 'extremely concerned' to 'not concerned at all' rather than the four-point scale used in 1999, where the highest level of concern possible was 'very concerned.' This change in response categories was made in order to permit more differentiation in the intensity of concern registered by physicians who were concerned about a given factor. Because of these changes to the questions, comparisons with 1999 are not possible.

Depending on the practice aspect considered, approximately one-half (48.7 percent) to two-thirds (63.8 percent) of all physicians indicated that they were either 'very concerned' or 'extremely concerned' about the factor (**Table 4**). Physicians were least likely to be extremely concerned about external review of their clinical decisions and the timeliness of claims payment, and most concerned about reimbursement, billing paperwork, and malpractice issues.

Table 5 examines variation by type of physician in the percent of physicians who were extremely concerned about each of these practice factors. Within each type-of-physician grouping (e.g., specialty, age), we used t-tests to test for the significance of differences relative to the selected reference category (denoted by an R). Differences found to be significant at the 95 percent confidence level or above are marked with an asterisk (*). These tests show that surgeons were significantly more likely than non-proceduralists to report being extremely concerned about reimbursement and the timeliness of claims payment. There was also evidence that physicians over age 50 were more likely than their youngest colleagues to be extremely concerned about external review, and that those between the ages of 50 and 59 were more concerned about reimbursement and practice costs. No other significant differences were observed.

For the first four practice factors listed above, we also asked physicians to rate their level of concern for specific groups of patients defined by type of insurance. These patient groupings were:

- private fee-for-service (FFS) and PPO patients (including those in commercial and Blue Cross/Blue Shield plans),
- FFS Medicare patients,

[3] In 1999, there were two versions of the questionnaire, each administered randomly to approximately half of the sample. Form B contained questions comparable to the 1994 survey conducted for PPRC, and asked physicians to assess the 'seriousness of problems' with various aspects of practice. Form A asked physicians to rate their 'level of concern' with these same aspects of practice, and was the model used to develop the 2002 survey instrument.

Table 4. Overall Levels of Concern About Various Aspects of Practice, 2002

	N	Percent Who Said They Were: Extremely Concerned	Very Concerned	Concerned	Not Very Concerned	Not at All Concerned
Level of effort for paperwork and Administration related to billing	781	37.5	26.3	10.0	9.6	16.7
Level of reimbursement	779	40.7	21.8	13.4	9.2	14.9
External review and oversight of clinical decisions	782	22.4	26.3	27.4	16.1	7.8
Timeliness of claims payment	769	23.9	26.4	28.5	12.6	8.6
Malpractice issues and insurance	780	36.7	22.4	16.9	11.0	13.0
Cost of practice	778	33.4	25.6	14.9	14.5	11.6

Missing values excluded from all calculations.
Analysis of responses to Question 7.

Table 5. Overall Levels of Concern About Various Aspects of Practice, by Type of Physician, 2002

Type of Physician	Base N	Percent Who Said They Were 'Extremely Concerned' About: Billing Paperwork & Admin.	Level of Reimbursement	External Review of Clinical Decisions	Timeliness of Claims Payment	Malpractice Issues & Insurance	Cost of Practice
Proceduralists	78	39.7	46.2	20.5	25.6	33.3	30.8
Surgeons	270	38.3	45.7*	19.3	28.0*	40.4	37.0
Non-Proceduralists (R)	434	36.6	36.6	24.7	21.0	35.0	31.6
Urban (R)	664	37.3	41.1	21.8	23.1	35.9	32.8
Rural	118	39.0	38.5	25.4	28.5	41.0	36.8
Income							
$125,000 or Less (R)	206	39.8	42.2	26.2	23.7	35.8	37.9
$125,001 - $200,000	228	34.7	40.5	21.9	22.5	38.2	34.1
More than $200,000	294	38.8	42.2	20.8	27.1	37.4	31.4
Age							
Under 40 years (R)	112	33.0	33.0	16.1	18.8	33.9	27.7
40-49 years	277	36.5	40.8	18.4	22.8	37.9	33.9
50-59 years	245	42.2	45.7*	27.8*	27.7	37.7	38.4*
60 years or over	127	36.2	40.2	27.6*	24.2	38.1	29.9
ALL PHYSICIANS	782	37.5	40.7	22.4	23.9	36.7	33.4

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Missing values excluded from all calculations.
Analysis of responses to Question 7.

- Medicaid patients (including those in Medicaid HMOs), and
- all other HMO patients (including those in Medicare HMOs and delegated risk plans).

Responses to the follow-up questions were analyzed only for physicians spending at least 10 percent of their patient care time with the given type of patient. This screen was implemented so respondents would have sufficient experience with the patient type to make meaningful assessments of their levels of concern.

Across all payers, physicians were generally more concerned about reimbursement levels and billing paperwork, and less concerned about external review of their clinical decisions and the timeliness of claims payment (**Table 6**). To determine how FFS Medicare was rated relative to other payors, we compared the concern ratings provided by each physician for FFS Medicare to the ratings given by that physician for each of the other payor types. If the factor was rated as being of lower concern under FFS Medicare than for another payor, FFS Medicare was said to be rated 'better.' A higher relative concern rating meant that FFS Medicare was 'worse' than the other payor. We then used a Chi-square test of marginal homogeneity to determine whether the relative rankings were significantly different.[4]

As shown in **Table 7**, results of these tests indicate that FFS Medicare was viewed as being better than HMOs for two factors related to administrative hassles: billing paperwork and the timeliness of claims payment. That is, these factors were consistently given a higher concern rating for HMOs than for FFS Medicare. Conversely, physicians registered higher levels of concern about external review of their clinical decisions by FFS Medicare than they did about external review by Medicaid or private FFS and PPO plans. This finding may be related to actions taken by the Medicare program to protect against fraud and abuse. Physicians were also more concerned about FFS Medicare reimbursement than they were about reimbursement under private FFS and PPO plans. That FFS Medicare reimbursement was not viewed as being significantly better than Medicaid reimbursement may be due to the smaller number of physicians reporting data for Medicaid. More than half of the respondents spent less than 10 percent of their time with Medicaid patients and were, thus, excluded from this analysis.

Tables 8 through 11 examine variations by type of physician in the percent of physicians saying they were extremely concerned about each of the four factors. Across these tables we see that the physician specialty groups differ significantly in their concern ratings only with regard to reimbursement. Proceduralists were less likely to be extremely concerned about Medicaid reimbursement, while proceduralists and surgeons registered more concern about HMO reimbursement, relative to non-proceduralists (**Table 9**). The only variation by practice location was that rural physicians were less likely than urban physicians to be extremely concerned about billing paperwork for HMO patients, possibly reflecting the lower HMO penetration rates in rural areas (**Table 8**). There was also little significant variation by physician income, except that reimbursement for HMO

[4] Bishop YMM, Feinberg SE, and Holland PW. *Discrete Multivariate Analysis: Theory and Practice.* (Cambridge, MA: The MIT Press) 1975.

Table 6. Levels of Concern About Various Aspects of Practice, by Type of Patient, 2002

Factor and Type of Patient	N	Percent Who Said They Were: Extremely Concerned	Very Concerned	Concerned	Not Very Concerned	Not at All Concerned
Billing Paperwork and Administration						
Private FFS and PPO patients	700	19.9	24.4	29.0	18.0	8.7
FFS Medicare patients	728	22.8	26.0	25.0	16.5	9.8
Medicaid patients (incl. HMO)	360	28.1	24.4	19.4	15.8	12.2
All other HMO patients	494	28.3	25.5	22.5	12.6	11.1
Level of Reimbursement						
Private FFS and PPO patients	698	23.1	27.1	26.2	15.0	8.6
FFS Medicare patients	729	34.0	24.0	17.6	12.1	12.4
Medicaid patients (incl. HMO)	362	38.4	21.6	15.8	9.9	14.4
All other HMO patients	496	31.5	24.6	19.8	12.1	12.1
External Review of Clinical Decisions						
Private FFS and PPO patients	709	14.3	25.3	33.7	18.2	8.6
FFS Medicare patientS	735	19.3	21.9	30.9	19.5	8.4
Medicaid patients (incl. HMO)	367	14.7	21.5	34.3	21.0	8.5
All other HMO patients	502	18.5	24.1	30.5	17.5	9.4
Timeliness of Claims Payment						
Private FFS and PPO patients	688	19.8	25.3	31.3	16.1	7.6
FFS Medicare patients	712	17.6	24.7	33.9	16.6	7.3
Medicaid patients (incl. HMO)	355	22.0	24.8	31.0	13.8	8.5
All other HMO patients	483	22.8	24.0	28.6	16.8	7.9

Missing values excluded from all calculations.

Analysis limited to physicians spending at least 10 percent of their patient care time with the given type of patient.

Analysis of responses to Questions 9-12.

Table 7. Ratings for Practice Concerns for FFS Medicare Relative to Other Payors

Factor and Payor	N	Percent Who Rated FFS Medicare: Better	Worse	The Same
Billing Paperwork and Administration				
Private FFS and PPO patients	684	19.9	24.6	55.6
Medicaid patients (incl. HMO)	350	21.4	17.1	61.4
All other HMO patients	480	29.2*	18.8	52.1
Level of Reimbursement				
Private FFS and PPO patients	684	15.2	26.6*	58.2
Medicaid patients (incl. HMO)	353	18.4	14.2	67.4
All other HMO patients	484	18.4	21.1	60.5
External Review of Clinical Decisions				
Private FFS and PPO patients	692	13.7	17.9*	68.4
Medicaid patients (incl. HMO)	358	8.7	14.5*	76.8
All other HMO patients	487	17.9	15.6	66.5
Timeliness of Claims Payment				
Private FFS and PPO patients	672	18.5	14.3	67.3
Medicaid patients (incl. HMO)	346	15.3	11.3	73.4
All other HMO patients	471	22.7*	15.1	62.2

* Chi-square test of marginal homogeneity significant at 0.05 percent level.
Missing values excluded from all calculations.
Analysis limited to physicians spending at least 10 percent of their patient care time with the given type of patient.
Analysis of responses to Questions 9-12.

Table 8. Concern About Billing Paperwork, by Type of Patient and by Type of Physician, 2002

Type of Physician	Percent Who Said They Were 'Extremely Concerned' for Their: Private FFS & PPO Patients	FFS Medicare Patients	Medicaid Patients	HMO Patients
Proceduralists	21.7	23.0	15.4	32.1
Surgeons	19.3	20.2	28.7	31.9
Non-Proceduralists (R)	19.9	24.4	29.2	25.5
Urban (R)	20.1	22.3	27.8	29.7
Rural	18.7	25.7	29.0	14.3*
Income				
$125,000 or Less (R)	23.0	21.2	27.3	25.8
$125,001 - $200,000	18.4	26.1	30.7	25.8
More than $200,000	18.8	22.0	27.1	32.8
Age				
Under 40 years (R)	16.3	21.8	25.8	23.4
40-49 years	16.6	21.7	24.8	26.0
50-59 years	25.5	27.4	31.0	38.6*
60 years or over	20.9	20.0	34.6	24.0
Time with Given Type of Patient				
10-19 Percent (R)	15.6	25.2	27.1	22.4
20-29 Percent	20.5	23.4	26.0	30.9
30-39 Percent	17.7	23.3	--	--
More than 30 Percent	--	--	33.3	32.1*
More than 40 Percent	23.3	20.6	--	--
ALL PHYSICIANS	19.9	22.8	28.1	28.3

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Analysis limited to physicians spending at least 10 percent of their patient care time with the given type of patient.
Missing values excluded from all calculations.
Analysis of responses to Question 9.

Table 9. Concern About Reimbursement Levels, by Type of Patient and by Type of Physician, 2002

Type of Physician	Percent Who Said They Were 'Extremely Concerned' for Their: Private FFS & PPO Patients	FFS Medicare Patients	Medicaid Patients	HMO Patients
Proceduralists	28.6	33.3	18.5 *	45.3 *
Surgeons	25.0	37.2	40.5	37.9 *
Non-Proceduralists (R)	20.8	32.2	39.7	25.2
Urban (R)	23.2	33.3	38.1	32.3
Rural	22.4	38.2	39.5	22.0
Income				
$125,000 or Less (R)	24.7	31.6	38.2	26.7
$125,001 - $200,000	23.4	35.9	44.0	29.2
More than $200,000	22.5	36.5	35.0	38.6 *
Age				
Under 40 years (R)	18.2	29.8	25.0	28.6
40-49 years	19.0	31.8	38.4	29.0
50-59 years	30.3 *	40.6	43.9 *	41.0
60 years or over	24.6	31.6	46.2 *	27.3
Time with Given Type of Patient				
10-19 Percent (R)	22.7	29.4	37.4	25.3
20-29 Percent	21.0	34.9	36.3	32.1
30-39 Percent	20.4	36.7	--	--
More than 30 Percent	--	--	44.3	36.8 *
More than 40 Percent	26.8	34.5	--	--
Medicare FFS Payment Change				
Not Aware of Change (R)	--	25.5	--	--
Aware of Change	--	38.8 *	--	--
Medicare Revenue Not Down (R)	--	29.3	--	--
Medicare Revenue Down	--	40.5	--	--
ALL PHYSICIANS	23.1	34.0	38.4	31.5

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Analysis limited to physicians spending at least 10 percent of their patient care time with the given type of patient.
Missing values excluded from all calculations.
Analysis of responses to Question 10.

Table 10. Concern About External Review of Clinical Decisions, by Type of Patient and by Type of Physician, 2002

Type of Physician	Percent Who Said They Were 'Extremely Concerned' for Their: Private FFS & PPO Patients	FFS Medicare Patients	Medicaid Patients	HMO Patients
Proceduralists	11.3	20.0	11.5	20.8
Surgeons	11.4	18.3	14.7	16.6
Non-Proceduralists (R)	16.6	19.8	15.1	19.2
Urban (R)	15.0	20.0	16.0	19.0
Rural	10.0	15.8	10.0	14.0
Income				
$125,000 or Less (R)	15.8	19.6	18.7	18.8
$125,001 - $200,000	12.0	16.7	13.6	15.6
More than $200,000	15.9	22.1	13.7	20.7
Age				
Under 40 years (R)	12.9	15.2	9.4	15.2
40-49 years	12.9	19.4	14.4	19.2
50-59 years	17.0	22.8	14.5	21.2
60 years or over	13.6	18.4	25.0*	18.4
Time with Given Type of Patient				
10-19 Percent (R)	11.7	20.0	12.1	13.6
20-29 Percent	18.3	18.7	17.1	18.7
30-39 Percent	12.7	19.2	--	--
More than 30 Percent	--	--	18.1	23.1*
More than 40 Percent	13.3	19.5	--	--
ALL PHYSICIANS	14.3	19.3	14.7	18.5

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Analysis limited to physicians spending at least 10 percent of their patient care time with the given type of patient.
Missing values excluded from all calculations.
Analysis of responses to Question 11.

Table 11. Concern About Timeliness of Claims Payment, by Type of Patient and by Type of Physician, 2002

Type of Physician	Percent Who Said They Were 'Extremely Concerned' for Their: Private FFS & PPO Patients	FFS Medicare Patients	Medicaid Patients	HMO Patients
Proceduralists	22.5	17.6	11.1	25.5
Surgeons	19.3	18.6	28.1	26.5
Non-Proceduralists (R)	19.5	16.9	20.1	20.0
Urban (R)	18.9	16.9	22.1	23.0
Rural	24.5	21.3	21.3	20.0
Income				
$125,000 or Less (R)	20.4	15.1	21.4	18.8
$125,001 - $200,000	19.5	21.2	23.1	23.5
More than $200,000	20.9	17.9	22.3	27.3
Age				
Under 40 years (R)	12.1	13.6	7.9	18.4
40-49 years	18.5	15.8	24.2 *	20.2
50-59 years	22.8 *	20.8	24.6 *	27.5
60 years or over	23.9 *	19.6	29.4 *	25.3
Time with Given Type of Patient				
10-19 Percent (R)	14.4	16.1	21.2	19.8
20-29 Percent	20.9	21.2	22.3	28.4
30-39 Percent	15.2	16.2	--	--
More than 30 Percent	--	--	23.5	21.5
More than 40 Percent	25.0 *	16.2	--	--
ALL PHYSICIANS	19.8	17.6	22.0	22.8

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Analysis limited to physicians spending at least 10 percent of their patient care time with the given type of patient.
Missing values excluded from all calculations.
Analysis of responses to Question 12.

patients was of greater concern among the highest income physicians (**Table 9**). When concern varied by physician age, it was generally true that older physicians were more likely to be extremely concerned about the factor (**Tables 8, 9, 10** and **11**). The amount of time spent with HMO patients was also related to the likelihood of being extremely concerned about these factors, with physicians who spent the most time with HMO patients reporting higher concern about billing paperwork, reimbursement, and external review for these patients (**Tables 8, 9,** and **10**). Finally, it is of interest to note that—with one exception—concern about FFS Medicare reimbursement did not vary significantly by type of physician. Physicians who were aware of the January 2002 changes to the Medicare physician fee schedule were more likely to be extremely concerned about FFS Medicare reimbursement than those who were not aware of the changes (**Table 9**).

The above questions on billing paperwork, external review of clinical decisions, and the timeliness of claims payment deal with various facets of regulatory burden that may be felt by physicians. Regulatory burden may also occur if insurance regulations are so complex, or if insurers are so difficult to deal with, that physicians find it difficult to obtain accurate billing and coverage information for their patients in a timely manner. To assess the extent of this burden for different payors, physicians were asked to rate the difficulty of getting timely and accurate billing and coverage information for each of the four types of patients considered earlier.

Table 12 shows that 24 percent of all physicians find it very difficult to get this type of information for their Medicaid and HMO patients, compared to 18 and 13 percent, respectively, for FFS Medicare and private indemnity patients. When we ranked the ratings given by individual physicians for each payor we found that physicians were significantly more likely to indicate a higher level of difficulty for their Medicaid and HMO patients than for their FFS Medicare patients. Thus, FFS Medicare was rated 'better' than Medicaid and HMOs regarding the ease of obtaining billing and coverage information (**Table 13**). This finding is consistent with the earlier finding from Table 7 that FFS Medicare is viewed as better than HMOs with regard to other aspects of administrative hassle, namely the timeliness of claims payments and billing paperwork.

There was little significant variation by type of physician in the percent of respondents who felt it was very difficult to obtain insurance information for a given type of patient (**Table 14**). Perhaps reflecting the lower penetration of HMOs in rural areas, rural physicians were less likely than their urban counterparts to report difficulty in getting this information for their HMO patients.

Yet another aspect of regulatory burden, which is specific to the Medicare program, is the worry of violating the complex Medicare billing regulations and facing scrutiny and possible prosecution for fraudulent billing. Physicians were asked to rate their level of concern about Medicare's actions in pursuing fraud and abuse investigations. **Table 15** shows that about one-quarter of all physicians (24.8 percent) said they were 'extremely concerned' about the fraud and abuse investigations, and another 45.6 percent said they were either 'very concerned' or 'concerned.' These patterns did not vary significantly by

Table 12. Level of Difficulty Obtaining Accurate and Timely Billing Information, by Type of Patient, 2002

Type of Patient	N	Percent Rating the Difficulty as: Very Difficult	Somewhat Difficult	Not Very Difficult	Not at All Difficult
Private FFS and PPO Patients	669	13.3	43.8	32.0	10.9
FFS Medicare Patients	663	17.7	38.3	33.2	10.9
Medicaid Patients (incl. HMO)	555	24.0	37.7	26.3	12.1
All Other HMO Patients	583	23.8	37.7	27.4	11.0

Missing values excluded from all calculations.
Analysis of responses to Question 17.

Table 13. Rating for Difficulty of Obtaining Information from FFS Medicare Relative to Other Payors

Relative to:	N	Percent Who Rated FFS Medicare: Better	Worse	The Same
Private FFS and PPO plans	657	17.8	19.9	62.3
Medicaid	551	17.4*	10.3	72.2
All other HMOs	575	24.3*	17.6	58.1

* Chi-square test of marginal homogeneity significant at 0.05 percent level.
Missing values excluded from all calculations.
Analysis of responses to Question 17.

Table 14. Difficulty Obtaining Billing Information, by Type of Patient and by Type of Physician, 2002

Type of Physician	Percent Who Said it was 'Very Difficult' for Their: Private FFS & PPO Patients	FFS Medicare Patients	Medicaid Patients	HMO Patients
Proceduralists	16.2	20.9	21.1	28.8
Surgeons	16.2	18.1	27.2	28.7*
Non-Proceduralists (R)	10.8	16.8	22.3	19.7
Urban (R)	13.7	17.8	23.7	25.5
Rural	10.9	16.7	25.3	12.3*
Time with Given Type of Patient				
Less than 10 Percent	12.1	--	29.8*	22.5
10-19 Percent (R)	12.7	21.3	17.4	23.2
20-29 Percent	16.1	20.6	22.6	27.2
30-39 Percent	13.7	12.6	--	--
More than 30 Percent	--	--	18.6	23.8
More than 40 Percent	12.1	16.2	--	--
ALL PHYSICIANS	13.3	17.7	24.0	23.8

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Missing values excluded from all calculations.
Analysis of responses to Question 17.

Table 15. Concern About Medicare Fraud and Abuse Investigations, by Type of Physician, 2002

Type of Physician	N	Percent Who Said They Were: Extremely Concerned	Very Concerned	Concerned	Not Very Concerned	Not at All Concerned
Proceduralists	78	30.8	21.8	25.6	11.5	10.3
Surgeons	270	22.6	23.3	24.4	18.5	11.1
Non-Proceduralists	427	25.1	21.3	22.5	19.2	11.9
		(Chi-square = 4.8, p = 0.78)				
Urban	659	24.6	22.3	22.8	18.4	12.0
Rural	116	25.9	20.7	27.6	17.2	8.6
		(Chi-square = 2.2, p = 0.70)				
Income						
$125,000 or Less	203	22.2	19.2	27.1	18.2	13.3
$125,001 - $200,000	226	24.8	24.3	25.2	19.0	6.6
More than $200,000	293	28.0	22.2	21.2	16.4	12.3
		(Chi-square = 10.8, p = 0.22)				
Age						
Under 40 years	111	18.9	23.4	22.5	23.4	11.7
40-49 years	276	23.6	22.1	25.7	17.4	11.2
50-59 years	241	32.4	22.0	22.4	14.5	8.7
60 years or over	126	19.8	20.6	22.2	21.4	15.9
		(Chi-square = 17.5, p = 0.13)				
Time with FFS Medicare Patients						
10-19 Percent	146	18.5	23.3	27.4	19.9	11.0
20-29 Percent	198	27.3	20.2	22.2	19.2	11.1
30-39 Percent	149	28.9	28.2	18.8	15.4	8.7
More than 40 Percent	241	23.7	19.5	24.5	18.3	14.1
		(Chi-square = 13.6, p = 0.33)				
ALL PHYSICIANS	775	24.8	22.1	23.5	18.2	11.5

Missing values excluded from all calculations.

Analysis of responses to Question 13.

Table 16. Actions Taken in Response to Concern About Medicare Fraud and Abuse Investigations, by Type of Physician, 2002

	Base N	Percent Who Said They Have:		
		Limited Acceptance of New Medicare Pts.	Downcoded When Billing	
			Occasionally	Frequently
Proceduralists	78	5.3	33.8	42.3
Surgeons	270	5.7	36.9	29.6
Non-Proceduralists (R)	434	10.1	39.1	30.7
Urban (R)	664	7.5	37.8	31.0
Rural	118	10.9	37.6	34.7
Income				
$125,000 or Less (R)	206	10.3	36.7	30.2
$125,001 - $200,000	228	6.2	40.9	29.3
More than $200,000	294	7.8	37.5	33.2
Age				
Under 40 years (R)	112	3.9	33.0	31.8
40-49 years	277	10.5	41.5	28.2
50-59 years	245	7.5	40.9	33.6
60 years or over	127	8.3	27.9	33.7
Time with FFS Medicare Patients				
10-19 Percent (R)	148	12.4	36.6	30.1
20-29 Percent	200	5.7 *	38.2	33.3
30-39 Percent	151	9.0	36.6	35.8
More than 40 Percent	241	5.2 *	39.3	28.3
Concern about Fraud/Abuse Investigations				
Extremely Concerned (R)	192	14.7	36.1	50.3
Very Concerned	171	5.6 *	41.6	35.7 *
Concerned	182	2.4 *	39.2	23.7 *
Not Very Concerned	141	3.1 *	41.8	14.8 *
Not at All Concerned	89	17.9	27.0	24.3 *
ALL PHYSICIANS	782	8.0	37.8	31.6

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.

Missing values excluded from all calculations.

Analysis of responses to Questions 14 and 15.

physician specialty, urban/rural location, income, age, or the amount of time spent with FFS Medicare patients.

MedPAC was also interested in whether the possibility of being investigated for fraud and abuse had caused physicians to limit the number of new Medicare patients they accept, or to bill for a lower level of services than they felt they had provided ('downcode'). As seen in **Table 16**, only a relatively small number of physicians (8.0 percent) reported limiting acceptance of new Medicare patients due to their concerns about fraud and abuse investigations. Although the results were not entirely consistent across all categories, there was evidence that physicians who were extremely concerned about fraud and abuse investigations and those who currently spend relatively less time caring for FFS Medicare patients were more likely to have restricted access for new Medicare patients.

More than two-thirds of all physicians said they had billed more conservatively than they felt was warranted in order to minimize the possibility of being investigated for fraud or abuse. Nearly four of every ten physicians reported occasional downcoding, while three in ten said this was a frequent practice. Frequent downcoding was significantly more likely among physicians who said they were the most concerned about fraud and abuse investigations, relative to physicians reporting lower levels of concern.

Section 4

Practice Changes

- More than one-third of physicians reported that their practice had increased the number of non-physician clinical staff in the past year.
- One of every two physicians reported increases in billing and administrative staff, and more than 80 percent said their practice had increased training regarding billing and insurance matters for their office staff.
- Two-thirds of physicians said their practice had delayed or reduced planned capital expenditures in an effort to cut costs.
- Three-quarters of physicians said they had increased the number of patients seen in an effort to increase revenue, and one-third reported expanding the range of services offered.
- Physicians in solo practice were less likely than physicians in other types of practices to report changes in the number of staff employed, the training provided to office staff, the number of patients seen, or the range of services offered.
- Overall, physicians appear to be spending more time with patients and families in telephone consultations and less time during visits, and to be referring more patients to other sources of care after hours. These practice style changes did not occur differentially for FFS Medicare patients compared to other types of patients.

The survey included several questions designed to explore changes made in physicians' practices in the past year. We began with two questions asking about staffing changes in the practice. These questions replaced a single question from the 1999 survey, which asked whether the practice had taken any actions in the past year in an effort to reduce staff costs. The new questions explore staff expansions as well as staff reductions, and they focus specifically on the number of staff, rather than cost of these staff. In the 1999 survey, reductions in staff costs could have been achieved by reducing the number of staff, or reducing salaries and benefits—distinct actions that would have had different impacts on the availability of and type of care provided to patients. The new questions also differentiate between types of staff—non-physician clinical staff vs. billing and administrative staff—because changes along these dimensions may affect patients differently. Additionally, increases in billing and administrative staff may signal an effort to deal with increases in regulatory burden.

Table 17 shows that more than one-third of physicians (35.7 percent) said that the number of non-physician clinical staff in their practice had increased in the past year, and one-half (50.0 percent) reported increases in billing and administrative staff. Physicians with an ownership interest in their practice were more likely to say the non-physician clinical staff had increased, while those who were

employees were more likely to say there had been a decrease in both types of staff. Physicians in solo practice were much less likely than others to say there had been change in either type of staff, while rural physicians were more likely to report an increase in non-physician clinical staff. It also appears that physicians who spend the most time with FFS Medicare patients are most likely to report an increase in staff. In contrast, those spending a large share of their time caring for HMO patients were more likely to say their staffing levels had decreased in the past year. The probability of having made staffing changes did not vary significantly according to the physician specialty groups.

The next question about recent practice changes asked whether the practice had increased the amount of training provided to office staff regarding insurance regulations and billing issues. This question was also designed to investigate how practices are dealing with regulatory burden. As seen in **Table 18**, more than four in five physicians (81.7 percent) said their practice had increased training for their staff regarding billing and insurance regulations in the past year. Physicians in both single- and multi-specialty group practices were more likely than solo practitioners to have increased the insurance/billing training for their office staff. This percent did not vary significantly according to ownership status, specialty, or urban/rural location, nor did it vary systematically as the percent of time spent with specific types of patients increased (not shown in Table 18).

Physicians were also asked about other changes their practice may have made in an effort to reduce costs or increase revenue. These questions were also asked in the 1999 survey. More than two-thirds of physicians (67.5 percent) said their practice had tried to reduce costs by delaying or reducing planned investments in equipment or facilities (**Table 19**). Three of every four physicians (75.3 percent) said their practice had increased the number of patients seen in an effort to increase revenue, and one-third (34.3 percent) said their practice had expanded the range of services offered. These figures are fairly comparable to the percents reported in the 1999 survey, where 65.8 percent had delayed capital expenditures, 68.7 percent had increased the number of patients seen, and 39.5 percent had expanded the range of services. Solo practitioners were less likely than all other types of physicians to have increased the number of patients seen by the practice. Solo practitioners were also significantly less likely than physicians in group practice to have tried to increase revenue by expanding the range of services offered, whereas both proceduralists and surgeons were more likely than non-proceduralists to have expanded services.

The final set of questions in this section asked about changes in practice style for patients with different types of insurance. Three aspects of practice style were considered: time spent with patients and families on telephone consultations, referral of patients to other sources of care after hours, and time spent with patients and families during visits. Depending on the type of patient, approximately 32 to 37 percent of respondents reported

Table 17. Practice Staffing Changes Made in the Past Year, by Type of Physician

Type of Physician	Base N	Changes for Non-Physician Clinical Staff			Changes for Billing and Administrative Staff		
		Increased	Decreased	No Change	Increased	Decreased	No Change
Proceduralists	75	48.0	10.7	41.3	56.9	6.9	36.1
Surgeons	263	36.3	15.3	48.5	52.1	8.5	39.4
Non-Proceduralists	397	33.0	12.1	54.9	47.1	6.8	46.1
		(Chi-square = 8.4, p = 0.08)			*(Chi-square = 4.5, p = 0.34)*		
Urban	625	33.3	13.9	52.8	48.3	7.9	43.8
Rural	110	49.5	8.4	42.1	59.4	4.7	35.9
		(Chi-square = 10.8, p = 0.004)			*(Chi-square = 4.8, p = 0.09)*		
Full/Part Owner of Practice	512	38.3	9.8	51.9	49.2	5.7	45.1
Employee of Practice	219	29.8	20.9	49.3	52.4	12.0	35.6
		(Chi-square = 17.5, p = 0.0002)			*(Chi-square = 10.6, p = 0.005)*		
Practice Type							
Solo Practice	213	18.7	12.4	68.9	32.9	4.8	62.4
Single Specialty Group	326	45.2	8.9	45.9	56.7	6.4	36.9
Multispecialty Group	121	40.8	20.8	38.3	60.0	14.6	25.5
Other	68	35.4	20.0	44.6	56.9	10.3	32.8
		(Chi-square = 57.4, p < 0.0001)			*(Chi-square = 59.1, p < 0.0001)*		
Time with FFS Medicare Patients							
10-19 Percent	135	28.6	18.1	53.4	40.9	11.0	48.0
20-29 Percent	187	37.1	12.4	50.5	53.4	4.6	42.1
30-39 Percent	145	31.5	11.2	57.3	45.7	7.3	47.1
More than 40 Percent	229	43.1	9.8	47.1	56.3	6.8	36.9
		(Chi-square = 12.8, p = 0.05)			*(Chi-square = 12.4, p = 0.05)*		
Time with HMO Patients							
Less than 10 Percent	243	37.6	11.4	51.1	53.7	4.7	41.6
10-19 Percent	163	36.8	12.3	50.9	53.9	4.5	41.7
20-29 Percent	133	40.2	7.6	52.3	48.4	7.1	44.4
More than 30 Percent	176	29.3	20.1	50.6	43.3	14.0	42.7
		(Chi-square = 13.3, p = 0.04)			*(Chi-square = 16.6, p = 0.01)*		
ALL PHYSICIANS	735	35.7	13.1	51.2	50.0	7.5	42.6

Missing values excluded from all calculations, as well as physicians who were independent contractors.
Analysis of responses to Questions 19 and 20.

Table 18. Increases in Training for Office Billing Staff, by Type of Physician

Type of Physician	N	Percent Saying Their Practice Had Increased Training for Office Billing Staff
Proceduralists	67	86.6
Surgeons	248	83.1
Non-Proceduralists (R)	346	79.8
Urban (R)	561	81.5
Rural	100	83.0
Full/Part Owner of Practice (R)	484	81.0
Employee of Practice	177	83.6
Practice Type		
Solo Practice (R)	200	73.0
Single Specialty Group	303	83.5*
Multispecialty Group	99	91.9*
Other	54	83.3
ALL PHYSICIANS	661	81.7

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Missing values excluded from all calculations, as well as physicians who were independent contractors.
Analysis of responses to Question 21.

Table 19. Practice Changes Made to Reduce Costs or Increase Revenue, by Type of Physician

Type of Physician	Base N	Percent Saying Their Practice Had: Delayed/Reduced Capital Expenditures	Increased Number of Patients	Expanded Range of Services
Proceduralists	75	60.8	76.4	49.3*
Surgeons	263	72.8*	75.7	38.4*
Non-Proceduralists (R)	397	65.3	74.9	28.7
Urban (R)	625	69.0	75.2	34.6
Rural	110	59.4	76.0	33.0
Full/Part Owner of Practice (R)	512	65.6	70.4	33.8
Employee of Practice	219	72.4	86.7*	35.3
Practice Type				
Solo Practice (R)	213	70.4	58.3	26.0
Single Specialty Group	326	63.8	82.0*	37.1*
Multispecialty Group	121	68.8	81.0*	41.4*
Other	68	76.4	81.3*	33.9
ALL PHYSICIANS	735	67.5	75.3	34.3

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Missing values excluded from all calculations, as well as physicians who were independent contractors.
Analysis of responses to Questions 22 and 23.

Table 20. Changes Over Past Year in Selected Aspects of Practice Style, by Type of Patient

	N	Percent Saying the Time or Proportion Had:		
		Decreased	Increased	Stayed About the Same
Time Spent with Patients on Telephone Consultations				
Private FFS and PPO patients	740	10.5	35.7	53.8
FFS Medicare patients	741	11.1	34.1	54.8
Medicaid patients (incl. HMO)	631	11.4	31.5	57.1
All other HMO patients	655	11.9	37.1	51.0
Proportion of Patients Referred to Other Sources of Care After Hours				
Private FFS and PPO patients	687	4.5	13.7	81.8
FFS Medicare patients	691	3.8	14.8	81.5
Medicaid patients (incl. HMO)	596	3.9	16.6	79.5
All other HMO patients	616	4.9	14.3	80.8
Time Spent with Patients during Visits				
Private FFS and PPO patients	753	21.4	15.8	62.8
FFS Medicare patients	755	22.7	16.2	61.2
Medicaid patients (incl. HMO)	657	25.4	13.9	60.7
All other HMO patients	673	24.5	15.0	60.5

Missing values excluded from all calculations.

Analysis of responses to Questions 24, 25, and 26.

spending more time in telephone consultations compared to a year ago, 14 to 17 percent are now referring more patients to other sources of care after hours, and 21 to 25 percent have reduced the amount of time spent with patients during visits (**Table 20**). Most importantly, however, these changes in practice style did not appear to occur differentially for FFS Medicare patients compared to other types of patients.

Section 5

Access to Care

Access to care for different types of patients was assessed through three lines of questioning:

1. the acceptance of new patients;
2. the level of difficulty encountered when attempting to refer patients to other physicians; and
3. changes in appointment priority (for Medicare beneficiaries only).

Findings for each topic area are presented below.

Acceptance of New Patients

- More than 92 percent of physicians said their practice was open to new patients in 2002.
- Of these physicians, virtually all were accepting at least some new patients insured by private FFS and PPO plans. This represents a small but significant increase relative to 1999 levels, with the largest increases occurring for non-proceduralists and urban physicians.
- FFS Medicare patients were the next most widely accepted type of patient, with 95.9 percent of physicians with open practices accepting at least some of these new patients. This percent represents a very slight, but insignificant, decline relative to 1999 levels.
- Despite the fact that acceptance of new FFS Medicare patients remains high, there has been a retrenchment away from blanket acceptance of all new FFS Medicare patients. Since 1999, the percent of physicians saying they accept all new FFS Medicare patients has declined significantly by 6.3 percentage points. Most of these physicians continue to accept new FFS Medicare patients, but on a more selective basis.
- This pattern of retrenchment is very similar to the pattern observed for HMO patients, and less pronounced than the pattern seen for Medicaid patients.

- Access for Medicaid patients has fallen significantly since 1999, with very large declines observed among rural physicians. Despite that large decline, acceptance of new Medicaid patients is still significantly higher among rural physicians than among urban physicians. Overall, more than three in ten physicians now refuse to accept any new Medicaid patients.

- Decisions regarding the acceptance of new patients appear to be strongly correlated to levels of concern about aspects of medical practice. Physicians expressing the gravest concerns about the Medicare program overall were the least likely to accept all new FFS Medicare patients. Likewise, physicians with the highest levels of concern about billing paperwork and reimbursement for a given payor were the most likely to limit their acceptance of new patients from the payor due to this concern.

- At the same time, overall concerns about FFS Medicare reimbursement led to approximately the same access restrictions as did concerns about billing paperwork under the FFS Medicare program. While the intensity of concern registered about reimbursement was greater than the intensity reported for billing paperwork, approximately three-quarters of all physicians reported some level of concern about each of these factors, and about 15 percent of those expressing concern about the factor said they had limited their acceptance of new FFS Medicare patients as a result.

- Very similar patterns were observed for private FFS/PPO patients. However, approximately 40 percent of physicians restricted access for Medicaid patients due to concerns about reimbursement and billing paperwork, and about one-third did the same for HMO patients.

To explore acceptance of new patients, we began by asking whether the physician was currently accepting new patients of any type. Physicians who were accepting new patients into their practice, were then asked—for specific categories of patients—whether they were accepting 'all,' 'some,' or 'no' new patients of this type. These patient groupings were:

- private fee-for-service (FFS) and PPO patients (including those in commercial and Blue Cross/Blue Shield plans),
- FFS Medicare patients,
- Medicaid patients (including those in Medicaid HMOs),
- all other HMO patients (including those in Medicare HMOs and delegated risk plans), and
- all other patients (including uninsured, self-pay, and charity).

This categorization system differs from that used in the 1999 survey in several ways. First, in order to provide more emphasis to the FFS component of the first category, the wording was changed from 'PPO and other privately insured FFS patients (including commercial and Blue Cross/Blue Shield).' Second, Medicaid patients in HMOs were explicitly excluded from the third category in 1999 (and presumably classified in the fourth group), whereas they are now included in the Medicaid grouping. Third, wording for the HMO category has been changed from 'HMO and other capitated plan patients (including

Medicare, Medicaid, and private insurance).' This change was made in an attempt to clarify the types of patients that should fall into this group. In particular, physicians participating in HMOs are not necessarily paid on a capitated basis and may not be aware of whether the patient is enrolled in a capitated plan. Finally, the wording for the fifth patient category was changed from 'uninsured (including self-paying and charity patients)' so that it was focused less on the uninsured patients and more on all types of patients not captured by the four prior categories.

Because of these changes, comparisons of the 2002 survey results with the 1999 survey results by type of patient may be questionable. However, since no changes were made to the FFS Medicare category, trends over time for this group of patients should not be affected by the changes to the other categories.

In **Table 21**, we see that 92.4 percent of all physicians said their practice was open to new patients in 2002. This percent is slightly lower than the 93.6 percent computed for 1999,[5] but the difference is not statistically significant. (Likewise, a comparison of responses given by the subset of physicians who provided data in both 1999 and 2002, not shown, reveals no significant change in these physicians' acceptance of new patients.)
Non-proceduralists were the least likely of the specialty groups to be accepting new patients (87.2 percent), while nearly all proceduralists and surgeons were open to new patients. Perhaps unexpectedly, the likelihood of accepting new patients was inversely related to the physician's overall level of concern about various aspects of practice, with physicians expressing the highest levels of concern also the most likely to be accepting new patients. None of the changes from 1999 to 2002 was statistically different from zero.

Table 22 shows the percent of physicians who were accepting all or some new patients of a given type, for 1999 and 2002. This analysis excludes physicians who had indicated in the previous question that they were not accepting new patients of any type. We see that in 2002, 99.3 percent of all physicians whose practices were not closed were accepting at least some of the new patients who came to them with private FFS or PPO insurance. This figure represents a statistically significant increase of 1.4 percentage points over the percent reported for 1999. The second most-widely-accepted patient type was FFS Medicare patients, with 95.9 percent of physicians with open practices accepting at least some of these types of patients. Although this percent has fallen by 0.9 percentage points relative to 1999, the decline was not statistically significant. Access for Medicaid

[5] The 1999 percents presented in this report may, in some cases, differ from the percents previously reported for 1999 due to the treatment of physicians who said that they did not know the answer to the question. In the prior report, the 'don't know' responses were included in the denominator when computing percents in order to replicate the method used by NORC to report results from the 1994 PPRC physician survey and permit trend analyses. In this report, all don't know responses have been excluded from the denominator for both the 1999 and 2002 figures.

Table 21. Acceptance of New Patients (of Any Type), by Type of Physician, 1999 and 2002

Type of Physician	1999		2002		Percentage Point Change
	N	% Accepting	N	% Accepting	1999 to 2002
Proceduralists	75	93.0	78	98.7	5.7
Surgeons	748	98.3	266	98.1	-0.2
Non-Proceduralists	402	91.1	391	87.2	-3.9
Urban	1,071	93.1	624	92.0	-1.1
Rural	139	95.9	111	94.6	-1.3
Overall Concern Index					
Quintile 1 (most concerned)	--	--	71	97.2	--
Quintile 2	--	--	294	93.9	--
Quintile 3	--	--	148	92.6	--
Quintile 4	--	--	100	88.0	--
Quintile 5 (least concerned)	--	--	109	90.8	--
ALL PHYSICIANS	1,225	93.6	735	92.4	-1.2

* Change since 1999 is significantly different from zero at the 95 percent confidence level.

The Overall Concern Index is the sum of the concern ratings from Questions 7A-7F.

1999 percents weighted to account for oversampling of selected surgical specialties.

Missing values excluded from all calculations.

Analysis of responses to Question 27A (2002) and Question 18 (1999).

Table 22. Acceptance of New Patients, by Type of Patient, 1999 and 2002**

Type of Patient	N	Percent Who Were Accepting All or Some New Patients
1999 (Base N = 1,173)		
PPO and other private FFS patients	1,151	97.9
FFS Medicare patients	1,152	96.8
FFS Medicaid patients (excluding HMO)	1,118	73.7
HMO and other capitated-plan patients	1,118	87.6
Uninsured patients	1,140	90.5
2002 (Base N = 679)		
Private FFS and PPO patients	666	99.3
FFS Medicare patients	665	95.9
Medicaid patients (including HMO)	643	69.5
All other HMO patients	633	86.3
All other patients (uninsured, self-pay, charity)	653	92.8
Percentage Point Change, 1999 to 2002 **		
Private FFS and PPO patients		1.4 *
FFS Medicare patients		-0.9
Medicaid patients (including HMO)		-4.2 *
All other HMO patients		-1.3
All other patients (uninsured, self-pay, charity)		2.3

* Change since 1999 is significantly different from zero at the 95 percent confidence level.

**Comparisons over time by type of patient may not be valid due to changes in patient classification system.

Analysis limited to physicians who were accepting new patients (regardless of type) in the year.

1999 percents weighted to account for oversampling of selected surgical specialties.

Missing values excluded from all calculations.

Analysis of responses to Question 27B (2002) and Question 19 (1999).

patients, on the other hand, appears to be growing even worse, with the percent of physicians accepting these patients falling significantly from 73.7 percent to 69.5 percent. (These findings are confirmed by an analysis of cases that responded to both the 1999 and 2002 surveys. That analysis shows a small but statistically significant improvement in the acceptance of new private FFS/PPO patients, a dramatic decline in access for new Medicaid patients, and no significant change in the acceptance of new FFS Medicare patients.)

In **Table 23** we examine how the acceptance of different types of patients has changed since 1999 for different types of physicians. The increased acceptance of private FFS/PPO patients appears to have been driven primarily by increases among non-proceduralists, while the decline in acceptance of Medicaid patients was largely a function of a significant decrease among rural physicians in their willingness to treat these patients. Importantly, the percent of physicians accepting at least some new FFS Medicare patients did not change significantly for any of the specialty groups considered, nor for urban or rural physicians.

Table 24 presents additional detail on how the acceptance of different types of patients varies by type of physician. We see that non-proceduralists are significantly less likely than other types of physicians to accept new patients with either FFS Medicare or Medicaid coverage, or those enrolled in HMOs. And, despite the large decline since 1999 in the acceptance of Medicaid patients by rural physicians, these physicians are still significantly more likely than their urban counterparts to be accepting new Medicaid patients. There is also evidence that physicians with only a small proportion of their practice devoted to a given type of patient are less likely to be accepting new patients of that type.

The previous tables have focused on the acceptance of at least some new patients. That is, physicians who accept all new patients have been combined with physicians who accept only some new patients. Clearly, however, there is a difference between these two categories as it relates to access to care. Differentiating between these groups of physicians can further illuminate the question of whether patient access to care has changed over time. In **Table 25**, we present the distribution of physicians who said they accept 'all', 'some,' and 'no' new patients of each type, for 1999 and 2002. In this three-year span, the percent of physicians who are accepting all new FFS Medicare patients has fallen significantly by 6.3 percentage points, from 76.4 percent to 70.1 percent. While most of these physicians are still accepting some new FFS Medicare patients (an increase of 5.5 percentage points), some are no longer accepting any new FFS Medicare patients. Thus, while the overall decline in the percent of physicians accepting at least some new Medicare patients was small and statistically insignificant (Tables 22 and 23), this figure was masking a retrenchment away from blanket acceptance of all new FFS Medicare patients.

These changes in the acceptance of new FFS Medicare patients were very similar to the trends seen for HMO patients and, to a lesser extent, for all other types of patients. The declines for Medicaid patients were even more dramatic, with an 8.7 percentage point

Table 23. Change Since 1999 in Acceptance of New Patients, by Type of Patient and by Type of Physician**

Type of Physician	Percentage Point Change in Percent Who Were Accepting Patient Type:**				
	Private FFS/PPO	FFS Medicare	Medicaid	HMO	Other
Proceduralists	0.3	1.6	-2.7	5.6	5.6
Surgeons	0.0	0.2	-5.1	0.3	-0.4
Non-Proceduralists	2.5*	-2.1	-3.9	-4.5	3.2
Urban	1.4*	-0.9	-3.8	-0.2	2.6
Rural	1.3	-1.6	-10.5*	-9.0	0.6
ALL PHYSICIANS	1.4*	-0.9	-4.2*	-1.3	2.3

* Change since 1999 is significantly different from zero at the 95 percent confidence level.

**Comparisons over time by type of patient may not be valid due to changes in patient classification system.

Analysis limited to physicians who were accepting new patients (regardless of type) in the year.

1999 percents weighted to account for oversampling of selected surgical specialties.

Missing values excluded from all calculations.

Analysis of responses to Question 27B (2002) and Question 19 (1999).

Table 24. Acceptance of New Patients, by Type of Patient and by Type of Physician, 2002

Type of Physician	Base N	Private FFS/PPO	FFS Medicare	Medicaid	All Other HMO	All Other Patients
Proceduralists	77	98.7	100.0*	77.0*	93.2*	96.0
Surgeons	261	98.8	98.1*	74.5*	89.8*	92.5
Non-Proceduralists (R)	341	99.7	93.4	64.0	81.9	92.3
Urban (R)	574	99.1	95.7	67.4	86.9	92.2
Rural	105	100.0	97.1	80.6*	82.4	96.0
Age						
Under 40 years (R)	95	98.9	97.9	71.4	92.1	94.6
40-49 years	240	100.0	94.9	68.6	85.5	92.4
50-59 years	217	99.1	95.2	69.9	84.5	92.7
60 years or over	110	99.1	97.3	68.3	86.1	92.4
Time with Given Type of Patient						
Less than 10 Percent	40-382	89.2*	--	51.8*	68.8*	91.1
10-19 Percent (R)	117-198	99.1	90.9	87.2	90.8	95.3
20-29 Percent	82-171	100.0	97.0*	90.9	95.7	--
30-39 Percent	130-138	100.0	96.3	--	--	--
More than 20 Percent	79	--	--	--	--	94.5
More than 30 Percent	57-165	--	--	87.5	94.5	--
More than 40 Percent	201-213	100.0	99.1*	--	--	--
Overall Concern Index						
Quintile 1 (most concerned) (R)	69	100.0	92.8	67.7	80.3	86.6
Quintile 2	276	99.6	95.2	64.4	83.5	91.6
Quintile 3	137	97.8	97.1	76.9	88.6	97.0*
Quintile 4	88	98.8	96.5	82.1	94.1*	97.6*
Quintile 5 (least concerned)	99	100.0	98.0	62.5	88.3	89.6
Payor-Specific Concern Index						
Quintile 1 (most concerned) (R)	25-41	97.2	93.3	87.5	92.7	--
Quintile 2	83-172	100.0	95.8	82.9	91.0	--
Quintile 3	93-230	100.0	96.9	89.9	97.0	--
Quintile 4	54-146	100.0	100.0*	94.3	97.3	--
Quintile 5 (least concerned)	30-60	100.0	89.8	82.8	95.4	--
ALL PHYSICIANS	679	99.3	95.9	69.5	86.3	92.8

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
The concern indices represent the sum of the concern ratings for specific aspects of practice for the specific payor.
Ns for the payor-specific concern indices and percent time categories vary by payor.
Analysis limited to physicians who were accepting new patients (regardless of type) in the year.
Missing values excluded from all calculations.
Analysis of responses to Question 27B.

Table 25. Degree of Acceptance of New Patients, by Type of Patient, 1999 and 2002**

Type of Patient	N	Percent Who Were Accepting All New Patients	Some New Patients	No New Patients
1999 (Base N = 1,173)				
PPO and other private FFS patients	1,151	76.3	21.7	2.1
FFS Medicare patients	1,152	76.4	20.4	3.2
FFS Medicaid patients (excluding HMO)	1,118	48.1	25.6	26.4
HMO and other capitated-plan patients	1,118	56.4	31.2	12.4
Uninsured patients	1,140	52.3	38.2	9.5
2002 (Base N = 679)				
Private FFS and PPO patients	666	76.4	22.8	0.8
FFS Medicare patients	665	70.1	25.9	4.1
Medicaid patients (including HMO)	643	39.4	30.2	30.5
All other HMO patients	633	49.6	36.7	13.7
All other patients (uninsured, self-pay, charity)	653	47.9	44.9	7.2
Percentage Point Change, 1999 to 2002 **				
Private FFS and PPO patients		0.1	1.1	-1.3 *
FFS Medicare patients		-6.3 *	5.5 *	0.9
Medicaid patients (including HMO)		-8.7 *	4.6 *	4.1 *
All other HMO patients		-6.8 *	5.5 *	1.3
All other patients (uninsured, self-pay, charity)		-4.4	6.7 *	-2.3

* Change since 1999 is significantly different from zero at the 95 percent confidence level.

**Comparisons over time by type of patient may not be valid due to changes in patient classification system.

Analysis limited to physicians who were accepting new patients (regardless of type) in the year.

1999 percents weighted to account for oversampling of selected surgical specialties.

Missing values excluded from all calculations.

Analysis of responses to Question 27B (2002) and Question 19 (1999).

decline in the proportion of physicians willing to take all Medicaid patients, and a 4.1 percentage point increase in the percent who will no longer take any Medicaid patients. (Analysis of responses given by physicians responding in both 1999 and 2002 confirms these patterns: the panel physicians had significantly restricted their acceptance of new FFS Medicare, HMO, and Medicaid patients, with the largest declines occurring for Medicaid patients.)

It is important to note that decisions regarding the acceptance of new patients with a given type of insurance are not likely to be made in a vacuum. To the extent that Medicare revenue had been used to subsidize the care of patients with other types of insurance—especially, Medicaid patients—the declines in acceptance of these other types of patients could be related to the decrease in FFS Medicare payments.

Table 26 explores variations by type of physician in their willingness to accept FFS Medicare patients. We see no significant variation by urban/rural practice location or age of the physician, but do find differences by specialty group, with non-proceduralists more willing to take only some new FFS Medicare patients or none at all. It is also clear that physicians who spend more of their patient care time with FFS Medicare patients are also more likely to be accepting all new FFS Medicare patients. Conversely, the likelihood of accepting no new FFS Medicare patients is highest among physicians who currently devote little of their patient care time to FFS Medicare patients. There also appears to be significant variation according to the level of concern registered by the physician regarding specific aspects of practice for their FFS Medicare patients. Although the pattern does not hold for the 'least concerned' group of physicians, there is evidence that willingness to accept all new FFS Medicare patients is lowest among physicians reporting the most extreme levels of concern, and that acceptance of all new patients grows as concern levels decline.

In **Table 27** we explore further the association between concerns about aspects of medical practice for specific types of patients, and physicians' willingness to accept these patients. The first column shows the percent of physicians who reported various levels of concern about billing and administrative paperwork and about reimbursement levels for patients with different types of insurance (also presented in Table 6). For example, 19.9 percent of the 700 respondents providing data for this question said they were extremely concerned about billing paperwork for their private FFS/PPO patients, and 22.8 percent of respondents registered the same level of concern for their FFS Medicare patients. The second column of Table 27 shows the percent of physicians who reported that they had limited their acceptance of new patients with the given type of insurance specifically because of their concern about the factor. Thus, among all physicians reporting some level of concern about billing paperwork for private FFS/PPO patients, 15.0 percent said they had limited their acceptance of these patients in the past year due to their concern. For physicians who were extremely concerned about billing paperwork for these patients, 23.2 percent reported restricting access for new patients.

From the second column of this table, we see expected associations between the level of concern and acceptance of new patients. Specifically, physicians who were the most

Table 26. Degree of Acceptance of New Medicare Patients, by Type of Physician, 2002

Type of Physician	N	Percent Who Were Accepting All New Medicare Patients	Some New Medicare Patients	No New Medicare Patients
Proceduralists	76	80.3	19.7	0.0
Surgeons	256	78.9	19.1	2.0
Non-Proceduralists	333	61.0	32.4	6.6
		(Chi-square = 30.3, p < 0.0001)		
Urban	562	69.6	26.2	4.3
Rural	103	72.8	24.3	2.9
		(Chi-square = 0.6, p = 0.72)		
Age				
Under 40 years	93	80.7	17.2	2.2
40-49 years	236	64.4	30.5	5.1
50-59 years	210	69.5	25.7	4.8
60 years or over	109	73.4	23.9	2.8
		(Chi-square = 9.7, p = 0.14)		
Time with FFS Medicare Patients				
10-19 Percent	121	61.2	29.8	9.1
20-29 Percent	164	68.9	28.1	3.1
30-39 Percent	135	71.1	25.2	3.7
More than 40 Percent	211	75.8	23.2	1.0
		(Chi-square = 18.2, p = 0.006)		
Medicare Concern Index				
Quintile 1 (most concerned)	30	60.0	33.3	6.7
Quintile 2	168	65.5	30.4	4.2
Quintile 3	225	72.4	24.4	3.1
Quintile 4	115	78.3	21.7	0.0
Quintile 5 (least concerned)	59	61.0	28.8	10.2
		(Chi-square = 17.9, p = 0.02)		
ALL PHYSICIANS	665	70.1	25.9	4.1

Medicare Concern Index is the sum of the concern ratings related to billing paperwork, reimbursement, external review of clinical decisions, timeliness of claims payment, and fraud and abuse investigations.
Analysis limited to physicians who were accepting new patients (regardless of type) in the year.
Missing values excluded from all calculations.
Analysis of responses to Question 27Bb.

Table 27. Association between Concerns about Aspects of Medical Practice and Acceptance of New Patients, 2002

Factor	Patient Type	Percent Concerned About the Factor	Percent Limiting Their Acceptance of New Patients Due to Their Concern
Paperwork	**Private FFS/PPO**	**(n= 700)**	**15.0**
	extremely concerned	19.9	23.2
	very concerned	24.4	15.6
	concerned	29.0	9.2
	FFS Medicare	**(n= 728)**	**16.0**
	extremely concerned	22.8	23.8
	very concerned	26.0	15.9
	concerned	25.0	9.7
	Medicaid	**(n= 360)**	**39.6**
	extremely concerned	28.1	54.8
	very concerned	24.4	35.4
	concerned	19.4	22.4
	All other HMOs	**(n= 494)**	**36.1**
	extremely concerned	28.3	53.3
	very concerned	25.5	26.5
	concerned	22.5	23.9
Reimbursement	**Private FFS/PPO**	**(n= 698)**	**15.0**
	extremely concerned	23.1	25.8
	very concerned	27.1	12.5
	concerned	26.2	7.9
	FFS Medicare	**(n= 729)**	**15.6**
	extremely concerned	34.0	20.6
	very concerned	24.0	12.1
	concerned	17.6	10.6
	Medicaid	**(n= 362)**	**38.0**
	extremely concerned	38.4	54.5
	very concerned	21.6	25.9
	concerned	15.8	12.8
	All other HMOs	**(n= 496)**	**32.4**
	extremely concerned	31.5	53.4
	very concerned	24.6	20.4
	concerned	19.8	12.5

Analysis limited to physicians spending at least 10 percent of their patient care time with the given type of patient.

Missing values excluded from all calculations.

Analysis of responses to Questions 9 and 10.

concerned about a given factor for a given type of patient were also consistently most likely to restrict access for these patients as a result of their concern. We also see that the overall proportion of physicians restricting access for FFS Medicare patients is approximately the same as for private FFS/PPO patients, whether due to concerns about billing paperwork or to reimbursement concerns. About 15 percent of physicians who expressed concern about either of these factors, and for either patient type, also limited patient access because of their concern. In contrast, approximately four in ten physicians who were concerned about these factors for their Medicaid patients said their concern had led them to limit the number of new Medicaid patients they accept, and about one-third of physicians said the same for their HMO patients. Thus, while concerns about aspects of medical practice do appear to translate into restricted access for patients—with graver concerns resulting in more access limitations—these restrictions are more pronounced for Medicaid and HMO patients than for FFS Medicare and private FFS/PPO patients. Furthermore, concerns about billing paperwork led to access restrictions of the same magnitude as were observed due to concerns about reimbursement.

Difficulty of Making Referrals

- Physicians believed it was easier to find other physicians to whom to refer their private FFS/PPO patients than it was for their FFS Medicare patients, but that Medicare patients were easier to refer than HMO or Medicaid patients.

Physicians were asked to rate the difficulty of finding suitable physicians or surgeons to whom they could refer their patients with various types of insurance. As shown in **Table 28**, we see that finding referrals for Medicaid patients was the most difficult for the average physician, with 34.4 percent of respondents saying it was 'very difficult.' Referral of FFS Medicare patients was judged to be very difficult by 12.8 percent of physicians, a percent similar to those seen for private FFS/PPO patients and HMO patients.

Table 29 compares the relative ratings given by individual physicians for each category of patients. Results show that physicians were significantly more likely to rate the referral of their FFS Medicare patients as being more difficult than referrals for their private FFS/PPO patients, but to judge referral of Medicare patients as easier than for Medicaid or HMO patients.

Table 30 explores whether there are significant differences by type of physician in likelihood that the physician would say it was very difficult to refer a given type of patient. We found significant variation only for Medicaid patients. Rural physicians were much less likely than their urban counterparts to report that it was very difficult to refer Medicaid patients—probably reflecting the higher overall acceptance of Medicaid

Table 28. Level of Difficulty Referring Patients to Other Physicians, by Type of Patient, 2002

Type of Patient	N	Percent Rating the Difficulty as: Very Difficult	Somewhat Difficult	Not Very Difficult	Not at All Difficult
Private FFS and PPO Patients	746	12.2	23.2	32.2	32.4
FFS Medicare Patients	749	12.8	26.4	34.9	25.9
Medicaid Patients (incl. HMO)	651	34.4	25.8	20.3	19.5
All Other HMO Patients	658	13.2	37.4	32.5	16.9

Missing values excluded from all calculations.
Analysis of responses to Question 16.

Table 29. Rating of Referral Difficulty for FFS Medicare Patients Relative to Other Types of Patients

Relative to:	N	Percent Who Rated FFS Medicare: Better	Worse	The Same
Private FFS and PPO patients	738	15.2	22.6*	62.2
Medicaid patients	646	46.7*	19.0	34.2
All other HMO patients	651	31.8*	19.7	48.5

* Chi-square test of marginal homogeneity significant at 0.05 percent level.
Missing values excluded from all calculations.
Analysis of responses to Question 16.

Table 30. Difficulty Referring Patients, by Type of Patient and by Type of Physician, 2002

Type of Physician	Percent Who Said it was 'Very Difficult' for Their: Private FFS & PPO Patients	FFS Medicare Patients	Medicaid Patients	HMO Patients
Proceduralists	6.9	13.5	41.5	12.5
Surgeons	14.8	11.8	33.6	12.5
Non-Proceduralists (R)	11.5	13.3	33.6	13.8
Urban (R)	12.3	13.2	36.6	14.1
Rural	11.5	10.7	23.4*	7.1
Time with Given Type of Patient				
Less than 10 Percent	15.0	--	41.6*	17.0
10-19 Percent (R)	9.9	12.5	29.9	12.8
20-29 Percent	11.6	10.0	23.8	12.0
30-39 Percent	15.8	12.9	--	--
More than 30 Percent	--	--	29.6	10.9
More than 40 Percent	12.2	15.3	--	--
ALL PHYSICIANS	12.2	12.8	34.4	13.2

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Missing values excluded from all calculations.
Analysis of responses to Question 16.

patients by rural physicians. There was also evidence that physicians who spend only a small proportion of their practice time with Medicaid patients were more likely to feel that referral of these patients was very difficult.

Changes in Appointment Priority

- One in ten physicians said they had changed the priority given to FFS Medicare patients seeking an appointment.
- Appointment priority declined among physicians who were aware of the January 2002 changes to the Medicare fee schedule, and among those who felt the fee changes would decrease their Medicare revenue.
- Physicians registering the lowest levels of concern about the Medicare program were the most likely to have increased appointment priority.

Finally, physicians were asked whether they had made any change at all in the past year to the priority given to Medicare patients seeking an appointment with them. Those who noted a change in priority were asked to compare the current priority accorded to Medicare patients to the priority these patients were given the previous year. As shown in **Table 31**, 89.6 percent of all physicians said the appointment priority for Medicare patients had not changed in the past year. This proportion was consistent across the three specialty groups, for both urban and rural physicians, and regardless of the amount of tie spent with FFS Medicare patients. Physicians who professed awareness of the January 2002 changes to the Medicare physician fee schedule were more likely to say that they were now giving their Medicare patients a lower priority for appointments, as were physicians who felt their Medicare revenue had decreased as a result of the payment changes. Those who believed their Medicare revenue would remain unchanged or increase were more likely to have increased the appointment priority for their Medicare patients. Physicians who registered the lowest levels of concern about practice factors specifically related to the Medicare program also were more likely to have increased the appointment priority for their Medicare patients.

Table 31. Change in Past Year in Priority Given to Medicare Patients Seeking an Appointment, by Type of Physician

Type of Physician	N	Priority Now Given to Medicare Patients is: Higher	Unchanged	Lower
Proceduralists	77	2.6	89.6	7.8
Surgeons	263	3.8	91.3	4.9
Non-Proceduralists	380	3.2	88.4	8.4
		(Chi-square=3.2, p=0.53)		
Urban	611	3.4	89.7	6.9
Rural	109	2.8	89.0	8.3
		(Chi-square=0.4, p=0.83)		
Time with FFS Medicare Patients				
10-19 Percent	134	4.5	87.3	8.2
20-29 Percent	175	4.0	89.7	6.3
30-39 Percent	143	2.8	90.2	7.0
More than 40 Percent	230	3.0	90.0	7.0
		(Chi-square=1.3, p=0.97)		
Medicare Payment Changes				
Not Aware of Changes	208	2.9	94.2	2.9
Aware of Changes	468	3.4	87.6	9.0
		(Chi-square=8.4, p=0.02)		
Perceived Impact on Revenue				
Medicare Revenue Not Down	38	13.2	84.2	2.6
Medicare Revenue Down	396	2.5	87.4	10.1
		(Chi-square=13.4, p=0.001)		
Medicare Concern Index				
Quintile 1 (most concerned)	30	3.3	90.0	6.7
Quintile 2	181	0.6	85.6	13.8
Quintile 3	239	2.9	91.2	5.9
Quintile 4	131	3.8	91.6	4.6
Quintile 5 (least concerned)	63	14.3	84.1	1.6
		(Chi-square=40.8, p < 0.0001)		
ALL PHYSICIANS	720	3.3	89.6	7.1

Medicare Concern Index is the sum of the concern ratings related to billing paperwork, reimbursement, external review of clinical decisions, timeliness of claims payment, and fraud and abuse investigations. Missing values excluded from all calculations.

Analysis of responses to Question 28.

Section 6

Changes to Medicare FFS Payments to Physicians

- Two-thirds of respondents indicated that they were aware of the January 2002 changes to the Medicare physician fee schedule.
- Awareness of the payment changes was higher among proceduralists and surgeons, physicians in urban areas, those who spent more of their patient care time with FFS Medicare patients, and those who were the most concerned about Medicare reimbursement.
- Awareness of the payment changes was lower among physicians who did not have an ownership interest in their practice, and those who were in 'other' practice settings (primarily university practices, emergency rooms, and clinics).
- Nearly all physicians who were aware of the payment change indicated that their Medicare revenue would fall as a result.

MedPAC was interested in determining the extent to which physicians were aware of the changes to the Medicare physician fee schedule that had gone into effect in January 2002, and in assessing their knowledge regarding the impact of these payment changes on their Medicare revenue. Physicians were first asked whether they were aware of any changes in Medicare FFS payments occurring since January 2002. Those who indicated that they were aware of these changes were asked to estimate the direction and size of the resulting impact on their Medicare revenue.

As shown in **Table 32**, more than two-thirds of respondents reported being aware of the recent changes in Medicare FFS payments (68.5 percent). Proceduralists and surgeons were significantly more likely than non-proceduralists to be aware of the payment changes, and urban physicians were more likely than rural physicians. Likewise, physicians who spent more of their time caring for FFS Medicare patients, and those who expressed the most concern about Medicare reimbursement, were more likely to be aware of the payment changes. There was also evidence that the physician's type of practice and ownership interest influenced knowledge of Medicare fee changes, with awareness of the changes lower among physicians in 'other' practice arrangements (mainly university practices, emergency rooms, and clinics) and those without an ownership interest.

Of physicians indicating awareness of the payment changes, the vast majority (90.9 percent) correctly reported that their Medicare revenue had been cut as a result of the fee changes. Only 9.2 percent of physicians felt that their revenue had increased or had not

Table 32. Awareness of Medicare Payment Changes and Assessment of Impact of Changes on Revenue, by Type of Physician, 2002

Type of Physician	Starting N	Percent Aware of Medicare Payment Changes	Of Those Aware of Changes, Percent Who Said Medicare Revenue Had Decreased	Not Decreased
Proceduralists	75	84.0 *	93.2	6.8
Surgeons	259	74.1 *	95.0	5.0
Non-Proceduralists (R)	390	61.8	86.8	13.2
			(Chi-square = 8.6, p = 0.01)	
Urban (R)	613	70.5	90.7	9.3
Rural	111	57.7 *	91.9	8.1
			(Chi-square = 0.1, p = 0.75)	
Practice Type				
Solo Practice (R)	211	69.7	86.7	13.3
Single Specialty Group	325	71.7	92.2	7.8
Multispecialty Group	112	65.2	92.9	7.1
Other	71	56.3 *	94.1	5.9
			(Chi-square=4.0, p=0.26)	
Practice Ownership				
Full/Part Owner of Practice (R)	483	74.1	90.7	9.3
Employee of Practice	194	57.7 *	90.2	9.8
Independent Contractor	45	53.3 *	100.0	0.0
			(Chi-square = 2.4, p = 0.30)	
FFS Medicare Patient Time				
10-19 Percent (R)	136	54.4	87.9	12.1
20-29 Percent	185	65.4 *	88.9	11.1
30-39 Percent	138	75.4 *	88.9	11.1
More than 40 Percent	230	76.5 *	94.0	6.0
			(Chi-square = 3.6, p =0.31)	
Concern About Medicare Reimbursement				
Extremely Concerned (R)	237	77.6	93.1	6.9
Very Concerned	160	67.5 *	91.7	8.3
Concerned	116	61.2 *	77.8	22.2
Not Very Concerned	83	63.9 *	93.9	6.1
Not at All Concerned	86	67.4	93.1	6.9
			(Chi-square = 14.7, p = 0.006)	
ALL PHYSICIANS	724	68.5	90.9	9.2

* Percent is significantly different from percent for reference group (R) at 0.95 confidence level.
Missing values excluded from all calculations.
Analysis of responses to Question 29.

been affected by the fee schedule changes. Non-proceduralists were more likely than the other specialty groups to estimate that their revenue had not fallen.

Appendix A

Copy of the Mail Survey Instrument

2002 Survey of Physicians

Conducted by Project HOPE and The Gallup Organization

When completing this survey, please mark your responses with an "x" using a blue or black pen like this example ☒.
Do not mark outside of the response area like this example ☒.

SURVEY ELIGIBILITY

1 Are you currently employed for more than 20 hours a week by any branch of the U.S. military, the Department of Veterans Affairs, the Public Health Service or some other Federal agency?

- ☐ Yes ➡ **Thank you, but you are not eligible to participate in this survey.**
- ☐ No

2 Are you a resident or fellow?

- ☐ Yes, resident/fellow ➡ **Thank you, but you are not eligible to participate in this survey.**
- ☐ No, not resident or fellow

3 Are you a practicing physician involved in activities related to patient care for at least 20 hours a week?

- ☐ Yes, 20 hours or more
- ☐ No, less than 20 hours ➡ **Thank you, but you are not eligible to participate in this survey.**

4 Do you spend at least 10% of your patient care time with fee-for-service Medicare patients?

- ☐ Yes, at least 10%
- ☐ No, less than 10% ➡ **Thank you, but you are not eligible to participate in this survey.**

If you are <u>not</u> eligible, please return this questionnaire, with the remaining questions left blank, in the enclosed postage-paid envelope or call (800) 788-9987 to have your name removed from the list of eligible participants.

GENERAL ATTITUDES AND CONCERNS

5 What is your primary specialty? **(Please print)** ☐

6 Overall, how satisfied are you with the practice of medicine?

- ☐ Very satisfied
- ☐ Somewhat satisfied
- ☐ Somewhat dissatisfied
- ☐ Very dissatisfied

7 For your practice as a whole, how concerned are you about:

	Extremely concerned	Very concerned	Concerned	Not very concerned	Not concerned at all	Don't know
a. The level of effort required for paperwork and administration related to billing and coverage issues?	☐	☐	☐	☐	☐	☐
b. Reimbursement levels?	☐	☐	☐	☐	☐	☐
c. External review and oversight of your clinical decisions?	☐	☐	☐	☐	☐	☐
d. The timeliness of claims payment?	☐	☐	☐	☐	☐	☐
e. Malpractice issues and insurance?	☐	☐	☐	☐	☐	☐
f. The cost of practice?	☐	☐	☐	☐	☐	☐

8 On average, approximately what percentage of your patient care time do you spend with patients insured by each of the following five types of plans? **(Write in a percent for each category a – e. Sum should equal 100%)**

a. Private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)? ..... ☐☐☐ %

b. Fee-for-service Medicare? ..... ☐☐☐ %

c. Medicaid (including Medicaid HMOs)? ..... ☐☐☐ %

d. All other HMOs (including Medicare HMOs and delegated risk plans)? .... ☐☐☐ %

e. All other patients (including uninsured, self-pay and charity)? ..... ☐☐☐ %

SUM = 100%

9 How concerned are you about the level of effort required for paperwork and administration related to billing and coverage issues for your patients insured by:

a. Private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?

- ☐ Extremely concerned → In the past year, has this concern led you to limit the number of new patients you accept from private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?
- ☐ Very concerned → In the past year, has this concern led you to limit the number of new patients you accept from private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?
- ☐ Concerned → In the past year, has this concern led you to limit the number of new patients you accept from private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?
- ☐ Not very concerned
- ☐ Not concerned at all
- ☐ Too few patients of this type
- ☐ Don't know

In the past year, has this concern led you to limit the number of new patients you accept from private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?

- ☐ Yes
- ☐ No
- ☐ Not applicable
- ☐ Don't know

b. Fee-for-service Medicare?

- ☐ Extremely concerned → In the past year, has this concern led you to limit the number of new patients you accept from fee-for-service Medicare?
- ☐ Very concerned → In the past year, has this concern led you to limit the number of new patients you accept from fee-for-service Medicare?
- ☐ Concerned → In the past year, has this concern led you to limit the number of new patients you accept from fee-for-service Medicare?
- ☐ Not very concerned
- ☐ Not concerned at all
- ☐ Too few patients of this type
- ☐ Don't know

In the past year, has this concern led you to limit the number of new patients you accept from fee-for-service Medicare?

- ☐ Yes
- ☐ No
- ☐ Not applicable
- ☐ Don't know

c. Medicaid (including Medicaid HMOs)?

- ☐ Extremely concerned → In the past year, has this concern led you to limit the number of new patients you accept from Medicaid (including Medicaid HMOs)?
- ☐ Very concerned → In the past year, has this concern led you to limit the number of new patients you accept from Medicaid (including Medicaid HMOs)?
- ☐ Concerned → In the past year, has this concern led you to limit the number of new patients you accept from Medicaid (including Medicaid HMOs)?
- ☐ Not very concerned
- ☐ Not concerned at all
- ☐ Too few patients of this type
- ☐ Don't know

In the past year, has this concern led you to limit the number of new patients you accept from Medicaid (including Medicaid HMOs)?

- ☐ Yes
- ☐ No
- ☐ Not applicable
- ☐ Don't know

d. All other HMOs (including Medicare HMOs and delegated risk plans)?

- ☐ Extremely concerned → In the past year, has this concern led you to limit the number of new patients you accept from all other HMOs (including Medicare HMOs and delegated risk plans)?
- ☐ Very concerned → In the past year, has this concern led you to limit the number of new patients you accept from all other HMOs (including Medicare HMOs and delegated risk plans)?
- ☐ Concerned → In the past year, has this concern led you to limit the number of new patients you accept from all other HMOs (including Medicare HMOs and delegated risk plans)?
- ☐ Not very concerned
- ☐ Not concerned at all
- ☐ Too few patients of this type
- ☐ Don't know

In the past year, has this concern led you to limit the number of new patients you accept from all other HMOs (including Medicare HMOs and delegated risk plans)?

- ☐ Yes
- ☐ No
- ☐ Not applicable
- ☐ Don't know

10 How concerned are you about the <u>level of reimbursement</u> for patients insured by:

a. Private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?

- ☐ Extremely concerned → In the past year, has this concern led you to limit the number of new patients you accept from private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?
- ☐ Very concerned → In the past year, has this concern led you to limit the number of new patients you accept from private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?
- ☐ Concerned → In the past year, has this concern led you to limit the number of new patients you accept from private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?
- ☐ Not very concerned
- ☐ Not concerned at all
- ☐ Too few patients of this type
- ☐ Don't know

In the past year, has this concern led you to limit the number of new patients you accept from private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?

- ☐ Yes
- ☐ No
- ☐ Not applicable
- ☐ Don't know

b. Fee-for-service Medicare?

- ☐ Extremely concerned → In the past year, has this concern led you to limit the number of new patients you accept from fee-for-service Medicare?
- ☐ Very concerned → In the past year, has this concern led you to limit the number of new patients you accept from fee-for-service Medicare?
- ☐ Concerned → In the past year, has this concern led you to limit the number of new patients you accept from fee-for-service Medicare?
- ☐ Not very concerned
- ☐ Not concerned at all
- ☐ Too few patients of this type
- ☐ Don't know

In the past year, has this concern led you to limit the number of new patients you accept from fee-for-service Medicare?

- ☐ Yes
- ☐ No
- ☐ Not applicable
- ☐ Don't know

c. Medicaid (including Medicaid HMOs)?

- ☐ Extremely concerned → In the past year, has this concern led you to limit the number of new patients you accept from Medicaid (including Medicaid HMOs)?
- ☐ Very concerned → In the past year, has this concern led you to limit the number of new patients you accept from Medicaid (including Medicaid HMOs)?
- ☐ Concerned → In the past year, has this concern led you to limit the number of new patients you accept from Medicaid (including Medicaid HMOs)?
- ☐ Not very concerned
- ☐ Not concerned at all
- ☐ Too few patients of this type
- ☐ Don't know

In the past year, has this concern led you to limit the number of new patients you accept from Medicaid (including Medicaid HMOs)?

- ☐ Yes
- ☐ No
- ☐ Not applicable
- ☐ Don't know

d. All other HMOs (including Medicare HMOs and delegated risk plans)?

- ☐ Extremely concerned → In the past year, has this concern led you to limit the number of new patients you accept from all other HMOs (including Medicare HMOs and delegated risk plans)?
- ☐ Very concerned → In the past year, has this concern led you to limit the number of new patients you accept from all other HMOs (including Medicare HMOs and delegated risk plans)?
- ☐ Concerned → In the past year, has this concern led you to limit the number of new patients you accept from all other HMOs (including Medicare HMOs and delegated risk plans)?
- ☐ Not very concerned
- ☐ Not concerned at all
- ☐ Too few patients of this type
- ☐ Don't know

In the past year, has this concern led you to limit the number of new patients you accept from all other HMOs (including Medicare HMOs and delegated risk plans)?

- ☐ Yes
- ☐ No
- ☐ Not applicable
- ☐ Don't know

11 How concerned are you about <u>external review and oversight of your clinical decisions</u> for patients insured by:

	Extremely concerned	Very concerned	Concerned	Not very concerned	Not concerned at all	Too few patients of this type	Don't know
a. Private fee-for-service plans and PPOs (including commercial and Blue Cross/ Blue Shield)?	☐	☐	☐	☐	☐	☐	☐
b. Fee-for-service Medicare?	☐	☐	☐	☐	☐	☐	☐
c. Medicaid (including Medicaid HMOs)?	☐	☐	☐	☐	☐	☐	☐
d. All other HMOs (including Medicare HMOs and delegated risk plans)?	☐	☐	☐	☐	☐	☐	☐

12 How concerned are you about the timeliness of claims payments for patients insured by:

	Extremely concerned	Very concerned	Concerned	Not very concerned	Not concerned at all	Too few patients of this type	Don't know
a. Private fee-for-service plans and PPOs (including commercial and Blue Cross/ Blue Shield)?	☐	☐	☐	☐	☐	☐	☐
b. Fee-for-service Medicare?	☐	☐	☐	☐	☐	☐	☐
c. Medicaid (including Medicaid HMOs)?	☐	☐	☐	☐	☐	☐	☐
d. All other HMOs (including Medicare HMOs and delegated risk plans)?	☐	☐	☐	☐	☐	☐	☐

13 How concerned are you about the Medicare program's actions in pursuing fraud and abuse investigations?

- ☐ Extremely concerned
- ☐ Very concerned
- ☐ Concerned
- ☐ Not very concerned
- ☐ Not concerned at all
- ☐ Don't know

Emergency Physicians ➡ Skip to #15
All others continue

14 In the past year, has concern about the possibility of being investigated for fraud or abuse led you to limit the number of new Medicare patients you accept?

- ☐ Yes
- ☐ No
- ☐ Don't know

15 In the past year, when billing Medicare, how often did your practice bill for less than you thought you were entitled to due to concern about a potential fraud or abuse investigation?

- ☐ Never
- ☐ Occasionally
- ☐ Frequently
- ☐ Don't know

16 Thinking on average, when referring your patients to other physicians, how difficult is it for you to find suitable physicians or surgeons to whom you can refer patients insured by:

	Very difficult	Somewhat difficult	Not very difficult	Not difficult at all	Too few patients of this type	Don't know
a. Private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?	☐	☐	☐	☐	☐	☐
b. Fee-for-service Medicare?	☐	☐	☐	☐	☐	☐
c. Medicaid (including Medicaid HMOs)?	☐	☐	☐	☐	☐	☐
d. All other HMOs (including Medicare HMOs and delegated risk plans)?	☐	☐	☐	☐	☐	☐

17 Thinking on average, how difficult is it for you to get timely and accurate information about billing and coverage issues from each of the following types of insurers:

	Very difficult	Somewhat difficult	Not very difficult	Not difficult at all	Too few patients of this type	Don't know
a. Private fee-for-service plans and PPOs (including commercial and Blue Cross/Blue Shield)?	☐	☐	☐	☐	☐	☐
b. Fee-for-service Medicare?	☐	☐	☐	☐	☐	☐
c. Medicaid (including Medicaid HMOs)?	☐	☐	☐	☐	☐	☐
d. All other HMOs (including Medicare HMOs and delegated risk plans)?	☐	☐	☐	☐	☐	☐

CHANGES IN PRACTICE PATTERNS

18 How would you describe your employment status at the practice location where you see most of your patients?

- ☐ A full or part owner of the practice
- ☐ An employee of the practice
- ☐ Independent contractor ➡ **Skip to #24**

19 In the past year, has that practice increased, decreased or not changed the number of non-physician clinical staff (e.g., nurse practitioners, physician assistants, registered nurses, etc.)?

- ☐ Increased
- ☐ Decreased
- ☐ Not changed
- ☐ Don't know

20 In the past year, has that practice increased, decreased or not changed the number of billing and administrative staff?

- ☐ Increased
- ☐ Decreased
- ☐ Not changed
- ☐ Don't know

21 In the past year, has that practice increased the amount of training provided to office staff on insurance regulations and billing issues?

- ☐ Yes
- ☐ No
- ☐ Don't know

22 In the past year, has that practice delayed or scaled back plans for spending on equipment or facilities in an effort to reduce practice costs?

- ☐ Yes
- ☐ No
- ☐ Don't know

23 In the past year, did that practice undertake either of the following actions in an effort to increase revenue:

	Yes	No	Don't know
a. Increase the number of patients seen?	☐	☐	☐
b. Expand the range of services offered (e.g., add services such as pharmaceutical dispensing, in-office testing, eyeglasses dispensing, etc.)?	☐	☐	☐

24 Compared to one year ago, are you now spending less, more, or about the same amount of time per patient answering patient and family questions over the telephone for:

	Less	More	About the same	Don't know
a. Private fee-for-service and PPO patients (including commercial and Blue Cross/Blue Shield)?	☐	☐	☐	☐
b. Fee-for-service Medicare patients?	☐	☐	☐	☐
c. Medicaid patients (including Medicaid HMOs)?	☐	☐	☐	☐
d. All other HMO patients (including Medicare HMOs and delegated risk plans)?	☐	☐	☐	☐

Emergency Physicians ➡ Skip to #26
All others continue

25 Compared to one year ago, are you now referring a lower, higher, or equal proportion of patients to other sources of care after hours, such as ERs and urgent care centers for:

	Lower proportion	Higher proportion	Equal proportion	Don't know
a. Private fee-for-service and PPO patients (including commercial and Blue Cross/Blue Shield)?	☐	☐	☐	☐
b. Fee-for-service Medicare patients?	☐	☐	☐	☐
c. Medicaid patients (including Medicaid HMOs)?	☐	☐	☐	☐
d. All other HMO patients (including Medicare HMOs and delegated risk plans)?	☐	☐	☐	☐

26 Compared to one year ago, are you now spending less, more, or about the same amount of discretionary time with patients and families during visits for:

	Less	More	About the same	Don't know
a. Private fee-for-service and PPO patients (including commercial and Blue Cross/Blue Shield)?	☐	☐	☐	☐
b. Fee-for-service Medicare patients?	☐	☐	☐	☐
c. Medicaid patients (including Medicaid HMOs)?	☐	☐	☐	☐
d. All other HMO patients (including Medicare HMOs and delegated risk plans)?	☐	☐	☐	☐

Emergency Physicians ➡ Skip to #29
All others continue

27 A. Are you currently accepting new patients?

- ☐ Yes
- ☐ No ➡ **Skip to #28**
- ☐ Don't know ➡ **Skip to #28**

B. For each of the following types of patients, indicate whether you are accepting all, some, or no new patients of this type at the present time:

	All new	Some new	No new	Don't know
a. Private fee-for-service and PPO patients (including commercial and Blue Cross/Blue Shield)?	☐	☐	☐	☐
b. Fee-for-service Medicare patients?	☐	☐	☐	☐
c. Medicaid patients (including Medicaid HMOs)?	☐	☐	☐	☐
d. All other HMO patients (including Medicare HMOs and delegated risk plans)?	☐	☐	☐	☐
e. All other patients (including uninsured, self-pay and charity)?	☐	☐	☐	☐

28 A. In the past year, have you made any change at all to the priority given to Medicare patients who are seeking an appointment with you?

- ☐ Yes
- ☐ No ➡ **Skip to #29**
- ☐ Not applicable ➡ **Skip to #29**
- ☐ Don't know ➡ **Skip to #29**

B. Compared to last year, are your Medicare patients now given a much higher priority, a somewhat higher priority, a somewhat lower priority, or a much lower priority when seeking an appointment?

- ☐ Much higher priority
- ☐ Somewhat higher priority
- ☐ Somewhat lower priority
- ☐ Much lower priority
- ☐ Don't know

29 A. Are you aware of any changes in Medicare fee-for-service payments that have occurred since January 1, 2002?

- ☐ Yes
- ☐ No ➡ **Skip to #30**
- ☐ Don't know ➡ **Skip to #30**

B. Has the net impact of these payment changes been to increase your Medicare revenue, decrease your Medicare revenue, or have they not had an impact on your Medicare revenue?

- ☐ Increased my Medicare revenue
- ☐ Decreased my Medicare revenue
- ☐ Have not had an impact on my Medicare revenue ➡ **Skip to #30**
- ☐ Don't know ➡ **Skip to #30**

C. Would you say that the net impact of these Medicare payment changes has been to increase or decrease your Medicare revenue by 1-5 percent, 6-10 percent, or more than 10 percent?

- ☐ Increase by 1-5 percent
- ☐ Increase by 6-10 percent
- ☐ Increase by more than 10 percent
- ☐ Decrease by 1-5 percent
- ☐ Decrease by 6-10 percent
- ☐ Decrease by more than 10 percent
- ☐ Don't know

DEMOGRAPHICS

30 In what year were you born? 1 9 ☐ ☐

31 How would you describe the practice where you see most of your patients (i.e., your main practice)?

- ☐ Solo practice
- ☐ Single specialty partnership or group practice
- ☐ Multi-specialty partnership or group practice
- ☐ University full-time faculty position
- ☐ Something else **(Please specify)** _____
- ☐ Don't know

32 What is the zip code of your main office location? ☐☐☐☐☐

33 Which of the following income categories best describes your total 2001 net income from your practice, after expenses and before taxes?

- ☐ Less than $75,000
- ☐ $75,000 to less than $100,000
- ☐ $100,000 to less than $125,000
- ☐ $125,000 to less than $150,000
- ☐ $150,000 to less than $200,000
- ☐ $200,000 to less than $250,000
- ☐ $250,000 or more

34 Would you be interested in obtaining a copy of the results of this study?

- ☐ Yes ➡ **If yes:**
- ☐ No

First Name _____ Last Name _____

Preferred Address _____

City _____ State _____ Zip Code _____

Thank you very much for your participation.

Return this questionnaire in the enclosed pre-paid envelope or mail directly to:
The Gallup Organization
Attn: Survey Processing Center
P.O. Box 5700
Lincoln, Nebraska 68505-9926